

City of Palmer Regular City Council Meeting

7 pm, Tuesday, July 12, 2016
Palmer City Council Chambers
231 W. Evergreen Avenue, Palmer

Clerk's Office: 907-761-1301
www.cityofpalmer.org





- A. Call to Order
- B. Roll Call
- C. Pledge of Allegiance
- D. Approval of Agenda
 - 1. Approval of Consent Agenda
 - a. Introduction of **Ordinance No. 16-016-Z-1**: Amending the Zoning Map to Revise the Designation of Tract A-1 ASLS 96-004 Located in Section 33, Township 18 North, Range 2 East, Seward Meridian, from CG – General Commercial to I – Industrial with Special Limitations (IM 16-028) Page 9
 - 2. Minutes of Previous Meetings
 - a. June 21, 2016, Special Meeting Page 39
 - b. June 28, 2016, Regular Meeting Page 43
- E. Communication and Appearance Requests
 - 1. Planning and Zoning Commission
- F. Reports
 - 1. City Manager’s Report..... Page 51
 - 2. City Clerk’s Report
 - 3. Mayor’s Report
 - 4. City Attorney’s Report
- G. Audience Participation
- H. Public Hearings
 - 1. **Resolution No. 16-018**: Authorizing the City of Palmer to Issue Utility Revenue Bonds in the Principal Amount Not to Exceed \$5,000,000 to Finance Water and Wastewater Utility and Related Capital Improvements, and to Submit the Question of the Issuance of Such Bonds to the Qualified Voters of the City at the October 4, 2016, City Election (IM 16-031) (1st Public Hearing) Page 55
 - 2. **Resolution No. 16-001-B**: Amending the Budget for the City of Palmer, Alaska for the Fiscal Year Ending December 31, 2016 (IM 16-030) (1st Public Hearing) ... Page 59
 - 3. **Ordinance No. 16-015**: An Ordinance of the Palmer City Council Amending Palmer Municipal Code 17.64.050 Central Business District Boundary and Amending the Zoning Map to Show the Expanded Boundary as Recommended by the Planning and Zoning Commission (IM 16-027)..... Page 67

- I. Action Memoranda
- J. Unfinished Business
- K. New Business
 - 1. **Resolution No. 16-019:** Supplementing Resolution No. 16-012, Authorizing the City Manager to Accept and Appropriate Additional Funding, in the Amount of \$11,400.00, from the Federal Aviation Administration (FAA) Airport Improvement Program Grant No. 3-02-0211-020-2016, and to Provide for the Development of an Obstacle Action Plan (IM 16-032) Page 89
- L. Record of Items Placed on the Table
- M. Audience Participation
- N. Council Member Comments
- O. Executive Session
 - 1. Potential litigation; matters, the immediate knowledge of which would clearly have an adverse effect upon the finances of the City concerning the Wastewater Treatment Facility (Note: council action may be taken following the executive session)
- P. Adjournment

Tentative 2016 Palmer City Council Meetings:

Meeting Date	Meeting Type	Time	Notes
July 26	Regular	7 pm	
August 9	Special	6 pm	2017 Budget Planning Priorities
August 9	Regular	7 pm	
August 23	Special	6 pm	Audit Report
August 23	Regular	7 pm	
September 13	Special	6 pm	City Manager Review
September 13	Regular	7 pm	
September 27	Regular	7 pm	
October 10	Special	6 pm	Election Certification
October 11	Regular	7 pm	
October 18	Special	6 pm	2017 Budget
October 25	Special	6 pm	2017 Budget

October 25	Regular	7 pm	
November 1	Special	6 pm	2017 Budget
November 8	Special	6 pm	2017 Budget
November 8	Regular	7 pm	
November 22	Special	6 pm	2017 Budget
November 22	Regular	7 pm	
December 6	Special	6 pm	2017 Budget
December 13	Regular	7 pm	
December 27	Regular	7 pm	

consent agenda



**City of Palmer
Information Memorandum No. 16-028
Ordinance No. 16-016-Z-1**

Subject: Ordinance No. 16-016-Z-1: Amending the Zoning Map to Revise the Designation of Tract A-1 ASLS 96-004 Located in Section 33, Township 18 North, Range 2 East, Seward Meridian, from CG – General Commercial to I – Industrial with Special Limitations

Agenda of: July 12, 2016

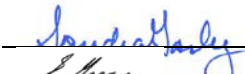

Council Action: _____

Originator Information:


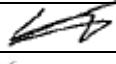

Originator: Sandra Garley

Date: June 20, 2016 **Requested agenda date:** _____

Department Information √:

Route to:	Department Director:	Signature:	Date:
<u>X</u>	Community Development		<u>06/20/2016</u>
<u>X</u>	Finance		<u>06/20/2016</u>
_____	Fire Department	_____	_____
_____	Police Department	_____	_____
_____	Public Works	_____	_____

Approved for presentation by:

	Signature:	Remarks:
City Manager		_____
City Attorney		_____
City Clerk		_____

Certification of Funds:

Total amount of funds listed in this legislation: \$ 0

This legislation (√):


- Has no fiscal impact Creates a positive impact in the amount of: \$ 0 for 2016/undetermined for 2017 for potential revenue
- Creates a negative impact in the amount of: \$ _____

Funds are (√):

- Budgeted Line item(s): _____
- Not budgeted Affected line item(s): _____

General fund unassigned balance (after requested budget modification): \$ _____

Enterprise unrestricted net position (after requested budget modification): \$ _____

Director of Finance Signature: 

Attachment(s):

- Ordinance No. 16-016-Z-1
- Planning and Zoning Commission Resolution No. 16-004 with Findings of Facts
- Staff Report
- Public Notice and Vicinity Map for Commission Hearing of June 16, 2016
- Zoning Map Amendment Application
- Written Comments Received for Commission Hearing

Summary statement: If approved, Ordinance No. 16-016-Z-1 will rezone Tract A-1 ASLS 96-004 from CG – General Commercial to I – Industrial with Special Limitations; these special limitations will restrict the Industrial uses to brewing and bottling plant with related activities and customary accessory uses.

Background: The subject parcel is part of the block known as the Mat-Maid properties and has historically been used for a bottling plant and creamery (Mat-Maid). The Mat-Maid Creamery building has been vacant for several years.

The applicant is requesting a rezone to Industrial with special limitations to restrict the Industrial uses to brewing and bottling plant with related activities and customary accessory uses consistent with the former use of this parcel as a bottling/milk production facility. The parcel is contiguous to Industrial zoned property and is surrounded by a mix of commercial and public uses with some nearby high density residential use. The proposed change with special limitations is compatible with the existing surrounding uses and will help to encourage and support more economic development in this area.

At the public hearing, the Planning and Zoning Commission discussed the portion of the Palmer Comprehensive Plan regarding the phasing out of industrial areas to other parts of town. The points were made that this rezone request is with Special Limitations to limit the Industrial uses to brewing and bottling plant, this property is contiguous with Industrially zoned property and the existing building will be used in the same capacity as its former use as a beverage/bottling plant.

On June 16, 2016 the Planning and Zoning Commission voted 4 in favor and 2 opposed to recommend amending the Zoning Map to revise the zoning designation of Tract A-1 ASLS 96-004, located in Section 33, Township 18 North, Range 2 East, Seward Meridian from CG - General Commercial to I – Industrial with Special Limitations and made written findings in Commission Resolution 16-004 that the proposed zone change meets the requirements of PMC 17.80.036.

Administration recommendation: Adopt Ordinance No. 16-016-Z-1.

Commission Information:

Initiated by: Planning and Zoning Commission

First on Agenda: June 16, 2016

Action: Passed

Vote: 4-in favor; 2-opposed

Council Information:

Introduced by: City Manager Wallace

Introduced: July 12, 2016

Public Hearing:

Action:

Vote:

Yes:

No:

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CITY OF PALMER, ALASKA

ORDINANCE NO. 16-016-Z-1

An Ordinance of the Palmer City Council amending the Zoning Map to revise the designation of Tract A-1 ASLS 96-004 located in Section 33, Township 18 North, Range 2 East, Seward Meridian, from CG - General Commercial to I - Industrial with special limitations

THE CITY OF PALMER, ALASKA ORDAINS:

Section 1. Classification. This ordinance shall be permanent in nature and shall be incorporated into the Palmer Municipal Code.

Section 2. Severability. If any provision of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 3. Authority and legislative findings. Pursuant to 17.80.040, the City Council hereby adopts the following zoning map amendment in accordance with the legislative findings set below:

WHEREAS, the City of Palmer Planning and Zoning Commission (the Commission) received an application on June 3, 2016 from applicant, Matt Tomter of Matanuska Brewing Company, LLC and Alaska Department of Natural Resources, Department of Agriculture, owner of Tract A-1 ASLS 96-004 located in Section 33, Township 18 North, Range 2 East, Seward

Meridian, Alaska to rezone the subject property from being zoned CG - General Commercial to I – Industrial with Special Limitations; and

WHEREAS, the Special Limitations request as to restrict the Industrial uses to brewing and bottling plant with related activities and customary accessory uses; and

WHEREAS, the Commission duly gave required notices, held its required public hearing on June 16, 2016, made a written report of its decision as to such need, justification and effect of the change of zoning in Commission Resolution 16-004, and voted 4 in favor and 2 opposed to recommend that such amendment to the zoning map be approved; and

WHEREAS, the Commission adopted finding of fact in Commission Resolution 16-004 as to the need, justification and effect of the change of zoning on June 16, 2016; and

WHEREAS, the City Council duly gave required notices, held its required public hearing on this date, and has duly considered the request to rezone the property, all evidence and testimony presented including any comments of the persons attending the public hearing, the findings of fact set forth in Planning and Zoning Commission Resolution 16-004, and the recommendation of the Commission; and

Section 4. The City of Palmer Zoning Districts map dated December 2014 is hereby amended to revise the zoning designation of Tract A-1 ASLS 96-004, located in Section 33, Township 18 North, Range 2 East, Seward Meridian, Alaska from being zoned CG - General Commercial to I – Industrial with the following Special Limitations:

1. Restrict the Industrial uses to brewing and bottling plant with related activities and customary accessory uses.

Section 5. Effective Date. Ordinance 16-016-Z-1 shall take effect upon adoption by the Palmer City Council.

Passed and approved this _____ day of _____, 2016.

Delena Johnson, Mayor

Norma I. Alley, MMC, City Clerk

PALMER PLANNING AND ZONING COMMISSION

RESOLUTION NO. 16-004

A RESOLUTION OF THE PALMER PLANNING AND ZONING COMMISSION RECOMMENDING CITY COUNCIL APPROVE A ZONING MAP AMENDMENT FOR TRACT A-1 ASLS 96-004 WITH A SITE ADDRESS OF 513 S. VALLEY WAY, PALMER TO BE REZONED FROM CG, GENERAL COMMERCIAL TO I, INDUSTRIAL WITH SPECIAL LIMITATIONS; THESE SPECIAL LIMITATIONS RESTRICT THE INDUSTRIAL USES TO BREWING AND BOTTLING PLANT WITH RELATED ACTIVITIES AND CUSTOMARY ACCESSORY USES, LOCATED IN SECTION 33, TOWNSHIP 18 NORTH, RANGE 2 EAST, SEWARD MERIDIAN, ALASKA

WHEREAS, Matt Tomter of Matanuska Brewing Company, LLC and Alaska Department of Natural Resources, Department of Agriculture have initiated a zoning map amendment application to change the zoning designation for Tract A-1 ASLS 96-004 with a site address of 513 S. Valley Way located in Section 33, Township 18 North, Range 2 East, Seward Meridian, from CG – General Commercial to I – Industrial with Special Limitations to restrict the Industrial uses to brewing and bottling plant with related activities and customary accessory uses; and

WHEREAS, a request for a zoning map amendment must be reviewed by the Planning and Zoning Commission and a recommendation reflecting the findings of the Commission must be forwarded to the City Council; and

WHEREAS, on June 8, 2016, 165 public hearing notices were mailed to property owners within 1,200' of the site in accordance with 17.80.030. Notification of the public hearing was published in the Frontiersman on June 10, 2016. A total of 0 written comments were received in response, with 0 in favor of, 0 opposed and 0 no objection; and

WHEREAS, Goal 3 of Chapter 6 of the City of Palmer Comprehensive Plan states, "Support the continuation of institutional and appropriate industrial uses." In Objective B of Goal 3, the Plan mentions support of continued industrial use consistent with other plan goals and the need for industrial uses to be located and managed so they are good neighbors to adjoining uses. The Plan recognized the need for the re-development of the Mat-Maid block.

The proposed change supports the re-development of this parcel and restricts the Industrial uses to brewing and bottling plant with related activities and customary accessory uses to maintain harmony with the existing neighbors and compatibility with adjoining uses. The property has historically been used for a bottling plant and creamery (Mat-Maid). This brewery and bottling plant will be an appropriate industrial use for this property; and

WHEREAS, the parcel's location is surrounded by a mix of Industrial, General Commercial, Public, Limited Commercial and High Density Residential uses. Located to the west and contiguous to the subject parcel is Crowley Petroleum; to the south of this parcel are the old Colony power plant building, the remaining footings for the Colony warehouse and a mini storage facility; to the east is commercial and across the street are Denali Square office buildings and multi-family housing; and to the north are State Troopers and Palmer Police Department offices.

If rezoned to Industrial with Special Limitations restricting the Industrial use to brewing and bottling plant with related activities and customary accessory uses this parcel would continue to be

compatible with surrounding zoning districts and is compatible with the prior use of this parcel as a milk production facility; and

WHEREAS, this parcel is adjacent to Crowley Petroleum which frequently receives large loading trucks utilizing South Valley Way which is adequate to support the traffic generated by the proposed change. There are existing utilities and structures on the subject parcel from the previous use as a milk production facility which would be adequate to support the proposed change; and

WHEREAS, the Mat-Maid Creamery building has been vacant for several years. Originally, this was part of the Matanuska Colony Industrial area. The surrounding neighborhood consists of industrial, commercial and public uses. The proposed change with the special limitations will help to encourage and support more economic development in this area; and

WHEREAS, the proposed zone change is consistent with the public welfare by encouraging the use of this abandoned building as a beverage production facility as it was in the past. The proposed zone change does not grant the owner any special privilege as the requested zone change is consistent with contiguously zoned Industrial property.

NOW, THEREFORE, BE IT RESOLVED that the Palmer Planning and Zoning Commission does hereby recommend the City Council approve the Zoning Map Amendment for Tract A-1 ASLS 96-004 with a site address of 513 S. Valley Way located in Section 33, Township 18 North, Range 2 East, Seward Meridian to I – Industrial with Special Limitations to restrict the Industrial uses to brewing and bottling plant with related activities and customary accessory uses.

Passed by the Planning and Zoning Commission of the City of Palmer, Alaska, this 16th day of June, 2016.



Dan Lucas, Chairman



Kimberly A. McClure
Planning & Code Compliance Technician



City of Palmer

Community Development

Zone Change Application

Staff Report to Commission

PART I. GENERAL INFORMATION

Location: **513 S. Valley Way**
Tract A-1 ASLS 96-004

Permit Request: Rezone from CG - General Commercial to I – Industrial with Special Limitations

Applicant & Owner: Matt Tomter of Matanuska Brewing Company, LLC and Alaska Department of Natural Resources, Department of Agriculture

Public Hearing Date: June 16, 2016

Notification Requirements: On June 8, 2016, 165 public hearing notices were mailed to property owners within 1,200’ of the site in accordance with 17.80.030. Notification of the public hearing was published in the Frontiersman on June 10, 2016. A total of 2 written comments were received in response, with 2 in favor of, 0 opposed and 0 no objection.

PART II. BACKGROUND

Site Information: Tract A-1 has access from South Valley Way. This parcel is adjacent to Crowley Petroleum and across from the Police Department and Mat-Su Pre-Trial Facility. This parcel is part of the Mat-Maid properties and was previously used as a dairy/milk production facility.

Parcel Size: 3.03 gross acres

Existing Zoning: CG - General Commercial

Surrounding Land Uses:

	Zoning	Land Use for surrounding areas
North	P	State Trooper offices & Palmer Police offices
South	CG	Mat-Maid Buildings & mini storage
East	C-L & R-4	Denali Square Office building & multi-family housing
West	I	Crowley Petroleum

Considerations: The intent of the CG - General Commercial district is to establish a district in which the principal use of land is for commercial enterprises to provide for commercial enterprises which serve the

needs of a large population and a large land area, and to provide a centralization of service by allowing heavier uses. The applicant is requesting a rezone to Industrial with Special Limitations to restrict the Industrial uses of this parcel to brewing and bottling plant with related activities and customary accessory uses.

Code Requirements:

The intent of the I – Industrial District is to apply to areas where land is best used for industrial purposes and to provide for use of the land for heavy commercial or moderate industrial uses. The subject parcel exceeds the required minimum lot width of 60 feet and the required minimum lot area of 7,200 square feet for the Industrial District. The request to rezone this parcel to Industrial with Special Limitations would be compatible with the existing nearby industrial, public and commercial uses.

PART III. FINDINGS OF FACT

PMC 17.80.036.C The report of the Commission shall give consideration as to what effect the proposed change would have on public health, safety, welfare and convenience, and for a map amendment show whether:

Fact 1) The proposed change is in accordance with the borough and city comprehensive plans;
Applicant's response: Yes.

Staff finds the following facts support this finding: Goal 3 of Chapter 6 of the City of Palmer Comprehensive Plan states, "Support the continuation of institutional and appropriate industrial uses." In Objective B of Goal 3, the Plan mentions support of continued industrial use consistent with other plan goals and the need for industrial uses to be located and managed so they are good neighbors to adjoining uses. The Plan recognized the need for the re-development of the Mat-Maid block.

The proposed change supports the re-development of this parcel and restricts the Industrial uses to brewing and bottling plant with related activities and customary accessory uses to maintain harmony with the existing neighbors and compatibility with adjoining uses. The property has historically been used for a bottling plant and creamery (Mat-Maid). This brewery and bottling plant will be an appropriate industrial use for this property.

Fact 2) The proposed change is compatible with surrounding zoning districts and the established land use pattern;

Applicant's response: The property was previously used as a dairy/milk production facility (Matanuska Maid). It will still be used as a beverage production facility as a brewery.

Finding: The parcel's location is surrounded by a mix of Industrial, General Commercial, Public, Limited Commercial and High Density Residential uses. Located to the west and contiguous to the subject parcel is Crowley Petroleum; to the south of this parcel are the old Colony power plant building, the remaining footings for the Colony warehouse and a mini storage facility; to the east is commercial and across the street are Denali Square office buildings and multi-family housing; and to the north are State Troopers and Palmer Police Department offices.

If rezoned to Industrial with Special Limitations restricting the Industrial use to brewing and bottling plant with related activities and customary accessory uses this parcel would continue to be compatible with surrounding zoning districts and is compatible with the prior use of this parcel as a milk production facility.

Fact 3) Public facilities such as schools, utilities and streets are adequate to support the proposed change;

Applicant's response: Yes.

Finding: This parcel is adjacent to Crowley Petroleum which frequently receives large loading trucks utilizing South Valley Way which is adequate to support the traffic generated by the proposed change. There are existing utilities and structures on the subject parcel from the previous use as a milk production facility which would be adequate to support the proposed change.

Fact 4) Changed conditions affecting the subject parcel or the surrounding neighborhood support the proposed change;

Applicant's response: Yes.

Finding: The Mat-Maid Creamery building has been vacant for several years. Originally, this was part of the Matanuska Colony Industrial area. The surrounding neighborhood consists of industrial, commercial and public uses. The proposed change with the special limitations will help to encourage and support more economic development in this area.

Fact 5) The proposed change is consistent with the public welfare and does not grant a special privilege to the owner(s).

Applicant's response: It is consistent with the public welfare. In fact, the now dilapidated property will be refurbished. No special privilege will be granted to the owner.

Finding: The proposed zone change is consistent with the public welfare by encouraging the use of this abandoned building as a beverage production facility as it was in the past. The proposed zone change does not grant the owner any special privilege as the requested zone change is consistent with contiguously zoned Industrial property.

PART III. STAFF RECOMMENDATION

Based on the information provided by the applicant, staff finds this proposal to rezone Tract A-1 ASLS 96-004 with a site address of 513 S. Valley Way, from CG - General Commercial to I – Industrial with Special Limitations to restrict the Industrial uses to brewing and bottling plant with related activities and customary accessory uses is consistent with and in conformance with the Palmer Comprehensive Plan for the I - Industrial district.

If following the Public Hearing, Commission finds that the applicant's proposal conforms to the Palmer Comprehensive Plan and Zoning Code provisions, then staff recommends that the Commission approve this request for rezoning Tract A-1 ASLS 96-004 with a site address of 513 S. Valley Way, from CG - General Commercial to I – Industrial with Special Limitations to restrict the Industrial uses to brewing and bottling plant with related activities and customary accessory uses and forward a recommendation for approval to the City Council.



DEPARTMENT OF COMMUNITY DEVELOPMENT

Sandra Garley
Director

David Meneses
Building Inspector

Beth Skow
Library Director

Mail: 231 W. Evergreen Ave.
Location: 645 E. Cope Industrial Way
Palmer, AK 99645-6748
Phone: 907-745-3709
Fax: 907-745-5443
www.cityofpalmer.org

June 8, 2016

Dear Property Owner:

The Palmer Planning and Zoning Commission will consider a re-zone of Tract A-1 ASLS 96-004 in Section 33, Township 18 North, Range 2 East, Seward Meridian, initiated by Matt Tomter of Matanuska Brewing Company, LLC on behalf of State of Alaska, Department of Natural Resources, Department of Agriculture, owner. The street address for the site is 513 S. Valley Way, Palmer, Alaska. This property is currently zoned CG - General Commercial. The request is to rezone the property to I - Industrial with Special Limitations; these special limitations restrict the Industrial uses to brewing and bottling plant with related activities and customary accessory uses. The map on the reverse side of this notice indicates the location of the subject parcel. For additional information on the Industrial District, please refer to Palmer Municipal Code Chapter 17.36 - Industrial District, located online at: www.cityofpalmer.org.

The Commission will hold a Public Hearing to consider this application and to allow for public comments as well. The meeting will be held on June 16, 2016 at 7:00 p.m., in the City Council Chambers located at 231 West Evergreen Avenue, Palmer, Alaska.

If you wish to comment on this issue, you may do so by attending the public hearing or by providing written comments to the Planning and Zoning Commission by June 15, 2016. Written comments may be mailed to Department of Community Development, 645 E. Cope Industrial Way, Palmer, Alaska, faxed to 745-5443 or emailed to me at: kmclure@palmerak.org.

Sincerely,

Handwritten signature of Kimberly McClure

Kimberly McClure
Planning & Code Compliance Technician



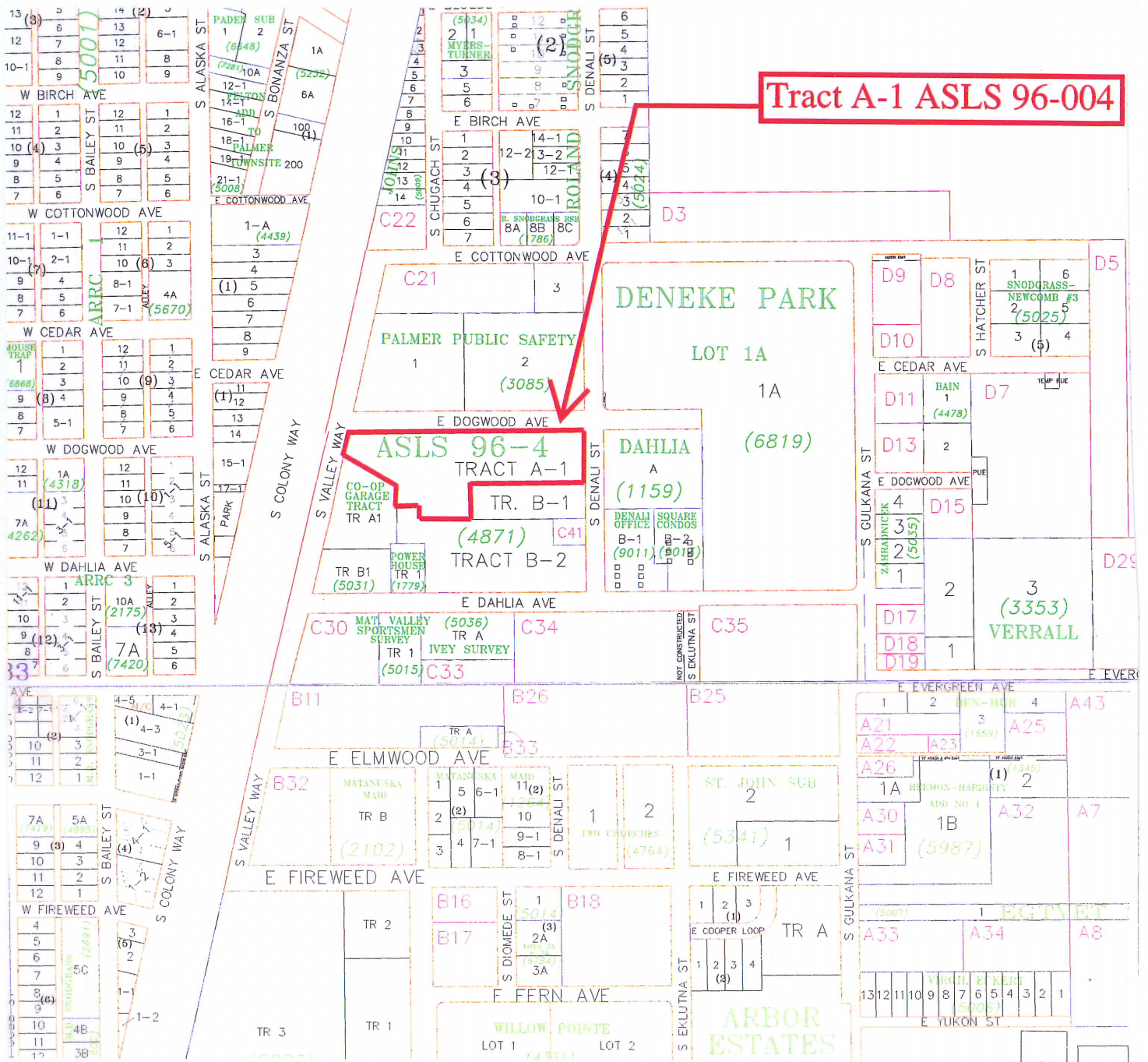
For the following reason, I am (please circle) (in favor of), (NOT in favor of), (have no objection to) the issuance of the proposed re-zone from CG to I with Special Limitations.

Three horizontal lines for providing a reason for the response.

Name: _____

Address: _____

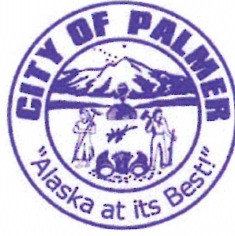
VICINITY MAP



Tract A-1 ASLS 96-004



Request for Rezone from CG (General Commercial) to I (Industrial) with Special Limitations for Tract A-1 ASLS 96-004 in Section 33, Township 18 North, Range 2 East, Seward Meridian, located at 513 S. Valley Way in Palmer, Alaska.



Received
JUN 03 2016
City of Palmer

**City of Palmer
Department of Community Development**

645 E. Cope Industrial Way, Palmer, Alaska 99645
Telephone: (907) 745-3709 * Fax: (907) 745-5443

Zoning Map Amendment Application

Applicant: Alaska Department of Natural Resources, Department of Agriculture (DNR)

Legal Description of Properties covered by this application (use additional sheets if necessary):

Tract A-1, Alaska State Land Survey No. 96-4; according to Plat No. 99-62, located in the
Palmer Recording District, Third Judicial District, State of Alaska; and located at
513 South Valley Way, Palmer, Alaska 99645

Requested District Change (i.e., from - to): CG to I-Industrial with Special Limitations

Reason for request: For Brewery and related activities by Matanuska Brewing Company, LLC who is purchasing the property from DNR. See attached letter.

Please provide a written narrative explaining the following:

1. Is the proposed change in accordance with the borough and city comprehensive plan?
Yes

2. How is the proposed change compatible with surrounding zoning districts and the established land use pattern?
The property was previously used as a dairy/milk production facility (Matanuska Maid).
It will still be used as a beverage production facility as a brewery.

3. Are public facilities such as schools, utilities and streets adequate to support the proposed change?

Yes

4. Do changed conditions affecting the subject parcel or the surrounding neighborhood support the proposed change?

Yes

5. Is the proposed change consistent with public welfare and will it grant a special privilege to the owners?

It is consistent with the public welfare. In fact, the now dilapidated property will be refurbished. No special privilege will be granted to the owner.

Date of application: June 3, 2016

\$250.00 Filing fee paid: _____



Signature of owner or owner's authorized representative

19341 UPPER Skyline Drive, Eagle River, AK.
Address 99577


907-854-8248
Phone/contact number

Matt Tomter
1-907-854-8248

City of Palmer
231 W. Evergreen Avenue
Palmer, Alaska 99645

In requesting a zoning map amendment from CG - Commercial General to I – Industrial with special limitations for the property at 513 S. Valley Way, I am requesting special limitations to restrict the use of structures, or the use of the land or structures, to a degree greater than otherwise provided by the I-Industrial zoning district as permitted under PMC 17.80.015 limiting the permitted Industrial uses listed in PMC 17.36.020 to the following:

Brewing and bottling plant, related activities, and customary accessory uses.

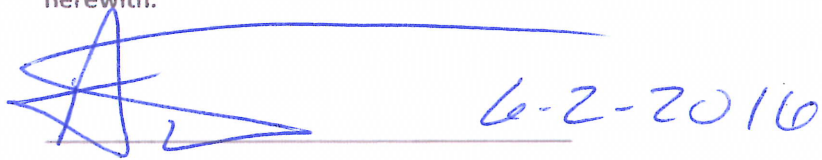


Matt Tomer
Matanuska Brewing Company, LLC

Dear City of Palmer, Department of Community Development:

Matanuska Brewing Company, LLC (MBC) is purchasing the subject property from the State of Alaska, Department of Natural Resources, Department of Agriculture (DNR) for the purpose of operating a brewery on the property. The property is currently zoned Commercial General, in a dilapidated state, and was previously used as a dairy/milk production plant by Matanuska Maid. MBC's purchase of the property is contingent upon zoning allowing brewery operations which require Industrial zoning. Essentially, MBC plans to continue using the property as a beverage production facility - as it has been used over past decades.

The DNR would like this zoning change to take effect upon completion of the sale of the property to MBC. The sale is contemplated to be completed in August 2016. MBC will pay the \$250.00 filing fee herewith.

A handwritten signature in blue ink, consisting of several overlapping loops and lines, is written over a horizontal red line. To the right of the signature, the date "6-2-2016" is handwritten in blue ink.

Director

State of Alaska, Department of Natural Resources, Department of Agriculture



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of Natural Resources

DIVISION OF AGRICULTURE

Central Office

1800 Glenn Highway, Suite 12
Palmer, Alaska 99645-6736
Main: 907.745.7200
Fax: 907.745.7112

Northern Region Office

3700 Airport Way
Fairbanks, AK 99709
Main: 907.374-3716
Fax: 907.328-1951

June 3, 2016

City of Palmer
Department of Community Development
645 E. Cope Industrial Way
Palmer, AK 99645

Matanuska Brewing Company, LLC (MBC) is purchasing the subject property from the State of Alaska, Department of Natural Resources (DNR), Division of Agriculture for the purpose of operating a brewery on the property. The property is currently zoned Commercial General, in a dilapidated state, and was previously used as a dairy/milk production plant by Matanuska Maid. MBC's purchase of the property is contingent upon zoning allowing brewery operations which require Industrial zoning. Essentially, MBC plans to continue using the property as a beverage production facility – as it has been used over past decades.

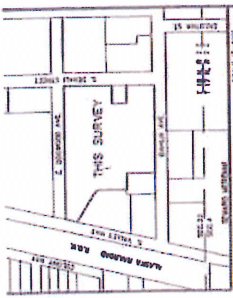
The Division of Agriculture would like this zoning change to take effect upon completion of the sale of the property to MBC. The sale is contemplated to be completed in August 2016. MBC will pay the \$250.00 filing fee herewith.

Sincerely,

A handwritten signature in blue ink, appearing to read "Arthur J. Keyes IV", with a long horizontal line extending to the right.

Arthur J. Keyes IV
Director

AK/lh



VICINITY MAP

CERTIFICATE OF OWNERSHIP
 I, THE UNDERSIGNED, HEREBY CERTIFY THAT I AM THE ORIGINAL DONOR OF THIS SURVEY AND THAT THE ORIGINAL DONOR HAS BEEN DECEASED AND THAT THE SURVEY IS BEING PLACED IN THE PUBLIC DOMAIN BY THE STATE OF ALASKA.
 DATE: 7/18/88
 SIGNATURE: [Signature]

NOTARY'S ACKNOWLEDGMENT
 I, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA, DO HEREBY CERTIFY THAT I AM PROPERLY REGISTERED AND LICENSED TO PRACTICE AS A NOTARY PUBLIC IN THE STATE OF ALASKA.
 DATE: 7-18-88
 SIGNATURE: [Signature]

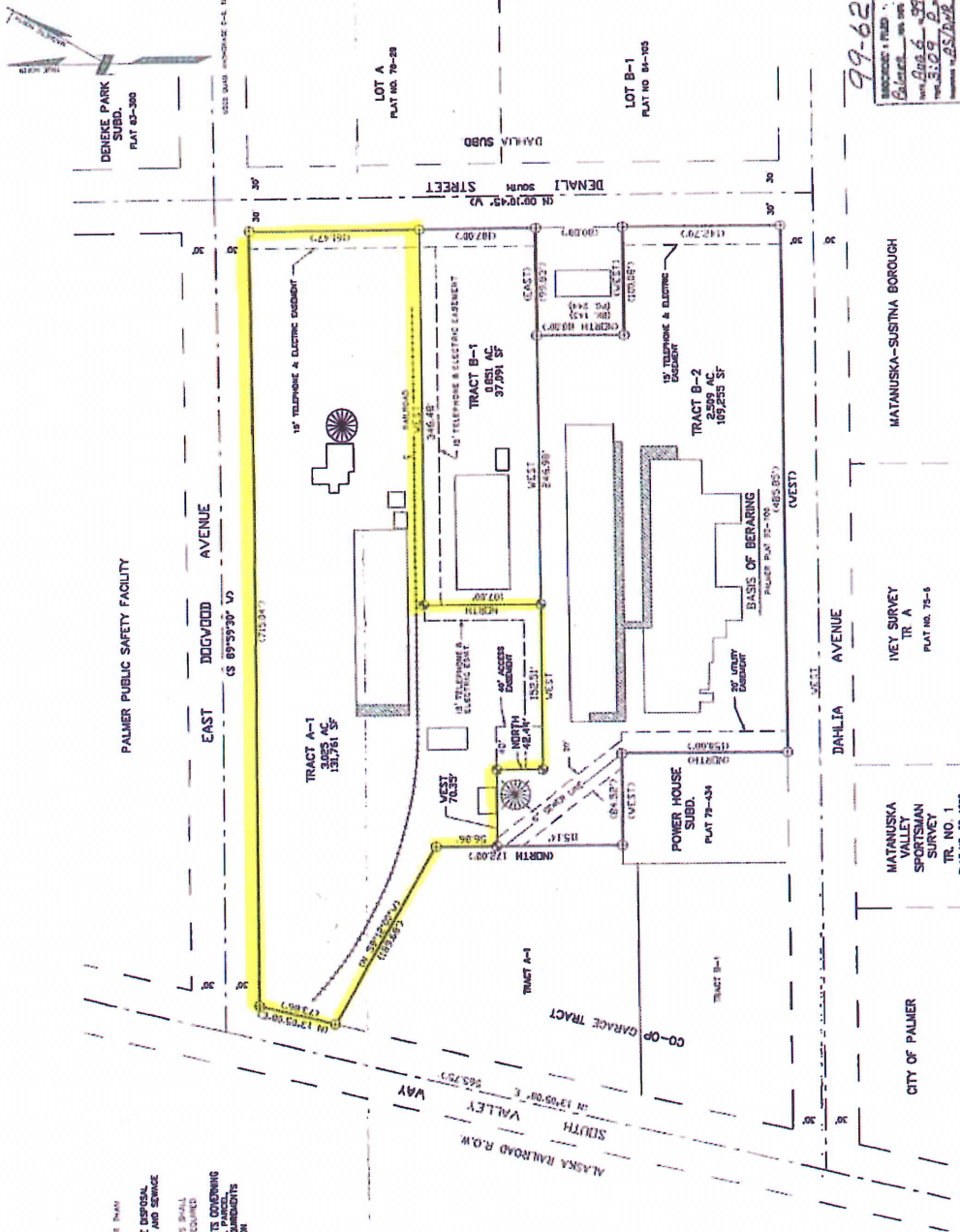


SURVEYOR'S CERTIFICATE
 I HEREBY CERTIFY THAT I AM PROPERLY REGISTERED AND LICENSED TO PRACTICE AS A SURVEYOR IN THE STATE OF ALASKA. I HAVE PERSONALLY EXAMINED THE SURVEY AND HAVE FOUND THAT THE SURVEY IS ACCURATE AND THAT THE BOUNDARIES SHOWN HEREON ACTUALLY EXIST.
 DATE: 7/18/88
 SIGNATURE: [Signature]

REGISTRATION NO.
 99-62
 DATE: 7/18/88



DEPARTMENT OF NATURAL RESOURCES
 DIVISION OF LAND
 4977
 ALASKA STATE LAND SURVEY NO. 98-4
 A REPEAT OF ASLS 85-59, TRACTS A & B WITHIN SECTION 33, T. 18 N., R. 2 E., S. 14, ALASKA
 DRAWN BY: J. L. [Name]
 SCALE: 1" = 50'



CERTIFICATE OF PAYMENT OF TAXES
 I HEREBY CERTIFY THAT ALL CURRENT TAXES AND SPECIAL ASSESSMENTS, THROUGH 3/31/88, IN CONNECTION WITH THE SUBDIVISION OF THIS SURVEY HAVE BEEN PAID.
 DATE: 6/15/88

CERTIFICATE OF PAYMENT OF TAXES
 I HEREBY CERTIFY THAT SPECIAL ASSESSMENTS THROUGH 3/31/88, IN CONNECTION WITH THE SUBDIVISION OF THIS SURVEY HAVE BEEN PAID.
 DATE: 6/15/88

CERTIFICATE OF PAYMENT OF TAXES
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 DATE: 6/15/88

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 I HEREBY CERTIFY THAT SPECIAL ASSESSMENTS THROUGH 3/31/88, IN CONNECTION WITH THE SUBDIVISION OF THIS SURVEY HAVE BEEN PAID.
 DATE: 6/15/88

- NOTES**
1. THE BOUNDARIES OF THIS SURVEY ARE BASED UPON THE FOLLOWING DATA:
 - a. THE PART IN 1:2000
 - b. THE PART IN 1:5000
 2. ALL TRACTS WILL BE PROVIDED WITH WATER AND SEWAGE DISPOSAL SERVICE BY THE CITY OF PALMER, NO INDIVIDUAL WATER AND SEWAGE DISPOSAL SYSTEMS ARE PERMITTED.
 3. ALL WATER AND SEWER INSTALLATION AND MAINTENANCE SHALL CONFORM TO THE CITY OF PALMER SPECIFICATIONS AS REQUIRED.
 4. THERE MAY BE FEDERAL, STATE AND LOCAL REQUIREMENTS CONCERNING THE DEVELOPMENT OF THIS SURVEY. THE APPLICANT SHALL BE RESPONSIBLE FOR OBTAINING A DETERMINATION WHETHER SUCH REQUIREMENTS APPLY TO THE DEVELOPMENT OF PARCELS SHOWN HEREON.

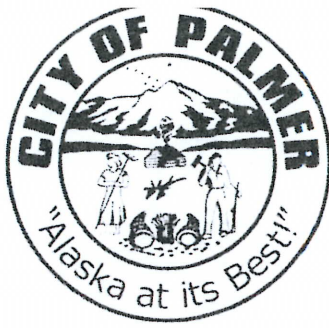
- LEGEND:**
- ⊙ PRIMARY MONUMENT SET (3 1/4" AL CAP)
 - ⊙ PRIMARY MONUMENT FOUND
 - () RECORD DATA

CERTIFICATE OF LESSOR
 I HEREBY CERTIFY THAT I AM THE ORIGINAL DONOR OF THIS SURVEY AND THAT THE ORIGINAL DONOR HAS BEEN DECEASED AND THAT THE SURVEY IS BEING PLACED IN THE PUBLIC DOMAIN BY THE STATE OF ALASKA.
 DATE: 7/18/88
 SIGNATURE: [Signature]

NOTARY'S ACKNOWLEDGMENT
 I, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA, DO HEREBY CERTIFY THAT I AM PROPERLY REGISTERED AND LICENSED TO PRACTICE AS A NOTARY PUBLIC IN THE STATE OF ALASKA.
 DATE: 7-18-88
 SIGNATURE: [Signature]

CERTIFICATE OF PAYMENT OF TAXES
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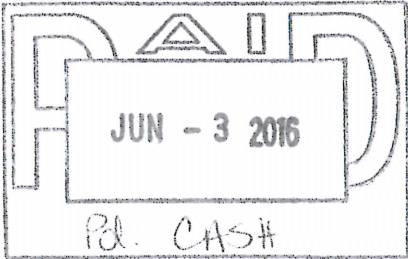
PALMER COMMUNITY DEVELOPMENT

ATTN: Joan E. Patterson
645 E. Cope Industrial Way
Palmer, AK 99645-6748
Phone: 907-745-3709 • Fax: 907-745-5443
www.cityofpalmer.org

Invoice No.: CD16-061

Invoice Date: 06/03/2016

Sold To: MATT TOMTER

Qty	Description	Price
1	REQUEST FOR ZONING MAP AMENDMENT ASLS 96-4, TRACT A-1 513 S. VALLEY WAY 	\$250.00

01-00-00-3427

TOTAL

\$250.00

This invoice must be paid within 30 DAYS or further collection procedures will be taken.

File copy.



Received

JUN 10 2016

City of Palmer

DEPARTMENT OF COMMUNITY DEVELOPMENT

Sandra Garley
Director

David Meneses
Building Inspector

Beth Skow
Library Director

Mail: 231 W. Evergreen Ave.
Location: 645 E. Cope Industrial Way
Palmer, AK 99645-6748
Phone: 907-745-3709
Fax: 907-745-5443
www.cityofpalmer.org

June 8, 2016

JUN 09 2016

Dear Property Owner:

The Palmer Planning and Zoning Commission will consider a re-zone of Tract A-1 ASLS 96-004 in Section 33, Township 18 North, Range 2 East, Seward Meridian, initiated by Matt Tomter of Matanuska Brewing Company, LLC on behalf of State of Alaska, Department of Natural Resources, Department of Agriculture, owner. The street address for the site is 513 S. Valley Way, Palmer, Alaska. This property is currently zoned CG - General Commercial. The request is to rezone the property to I - Industrial with Special Limitations; these special limitations restrict the Industrial uses to brewing and bottling plant with related activities and customary accessory uses. The map on the reverse side of this notice indicates the location of the subject parcel. For additional information on the Industrial District, please refer to Palmer Municipal Code Chapter 17.36 - Industrial District, located online at: www.cityofpalmer.org.

The Commission will hold a Public Hearing to consider this application and to allow for public comments as well. The meeting will be held on June 16, 2016 at 7:00 p.m., in the City Council Chambers located at 231 West Evergreen Avenue, Palmer, Alaska.

If you wish to comment on this issue, you may do so by attending the public hearing or by providing written comments to the Planning and Zoning Commission by June 15, 2016. Written comments may be mailed to Department of Community Development, 645 E. Cope Industrial Way, Palmer, Alaska, faxed to 745-5443 or emailed to me at: kmccclure@palmerak.org.

Sincerely,

Kimberly A. McClure
Kimberly McClure
Planning & Code Compliance Technician

☆☆☆☆☆☆☆☆☆☆☆☆☆☆☆☆☆☆☆☆☆☆☆☆☆☆☆☆☆☆☆☆

For the following reason, I am (please circle) (in favor of) (NOT in favor of),
(have no objection to) the issuance of the proposed re-zone from CG to I with Special Limitations.

Happy to see the property being made use of - esp.
if they keep some of the historical landmarks intact.
(Siloh)

Name: Katie Sunderland - Manager ARRC

Address: 278 E Dahlia Ave.

Sandra Garley
Director

David Meneses
Building Inspector

Beth Skow
Library Director

Mail: 231 W. Evergreen Ave.
Location: 645 E. Cope Industrial Way
Palmer, AK 99645-6748
Phone: 907-745-3709
Fax: 907-745-5443
www.cityofpalmer.org

Received

JUN 14 2016

City of Palmer



June 8, 2016

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Sincerely,

Kimberly McClure
Planning & Code Compliance Technician



For the following reason, I am (please circle) (in favor of) (NOT in favor of),
(have no objection to) the issuance of the proposed re-zone from CG to I with Special Limitations.

Name: 125 West Evergreen LLC

Address: 3852 W. Clark Wolverine Rd Palmer, Ak 99645

Norma Alley

From: Kimberly McClure
Sent: Tuesday, July 05, 2016 10:06 AM
To: Linda A.Olson
Cc: Norma Alley
Subject: RE: Rezoning request for Matanuska Brewing

Good morning Linda,

I received your email reply this morning.

The public hearing for the proposed rezone of Tract A-1 ASLS 96-004 was held on June 16 and was approved by the Planning and Zoning Commission. The proposed rezone has been forwarded to City Council for their public hearing and decision. The proposed rezone is tentatively schedule to be introduced at the July 12 City Council meeting and public hearing at the July 26 City Council meeting.

I am forwarding your public comment to our City Clerk to be included with the City Council packet for the July 26 public hearing.

Thank you,

Kimberly McClure

Planning & Code Compliance Technician
City of Palmer
Department of Community Development
645 E. Cope Industrial Way
Palmer, AK 99645-6748
Phone (907) 761-1306
Fax (907) 745-5443
<mailto:kmclure@palmerak.org>

From: Linda A.Olson [<mailto:lao@mtaonline.net>]
Sent: Saturday, June 11, 2016 6:16 PM
To: Kimberly McClure <kmclure@palmerak.org>
Subject: Rezoning request for Matanuska Brewing

My husband and I would like to write in support of this rezoning request as an opportunity for Palmer for job creation and tax revenue. Microbreweries have proved good partners in many communities and we would welcome them as our neighbor.

Linda and Grant Olson
319 E. Fireweed Avenue
Palmer Alaska 99645
907-745-5831

Linda A. Olson
lao@mtaonline.net

**PLANNING & ZONING COMMISSION
CITY OF PALMER, ALASKA**

**REGULAR MEETING
THURSDAY, JUNE 16, 2016
7:00 P.M. - COUNCIL CHAMBERS**

- A. CALL TO ORDER:
The regular meeting of the Planning and Zoning Commission was called to order by Chairman Lucas at 7:00 p.m.
- B. ROLL CALL:
Present and constituting a quorum were Commissioners:
 Dan Lucas, Chairman
 David Petty, Vice Chairman
 William Kerslake, Sr.
 Michael Kircher
 Merry Maxwell
 David Fuller
Excused absence(s):
 Douglas Cruthers
Also present were:
 Sandra S. Garley, Community Development Director
 Kimberly A. McClure, Planning and Code Compliance Technician
- C. PLEDGE OF ALLEGIANCE: The Pledge was led by Commissioner Petty.
- D. APPROVAL OF AGENDA: The agenda was approved as presented.
- E. MINUTES OF PREVIOUS MEETING(S):
The minutes of the May 19, 2016 Regular Meeting were approved as amended, to correctly spell Dr. Don Dinkel's name (page 3).
- F. PERSONS TO BE HEARD:
There were no persons wishing to speak on a topic not on the agenda.
- G. PUBLIC HEARING(S):
1. **Resolution No. 16-004:** A Resolution of the Palmer Planning and Zoning Commission Recommending City Council Approve a Zoning Map Amendment for Tract A-1 ASLS 96-004 with a site address of 513 S. Valley Way, Palmer, to be Rezoned from CG-General Commercial to I-Industrial with Special Limitations; these special limitations restrict the Industrial uses to brewing and bottling plant with related activities and customary accessory uses, located in Section 33, Township 18 North, Range 2 East, Seward Meridian, Alaska.

Chairman Lucas called for the motion.

Commissioner Kerlake moved, seconded by **Commissioner Fuller**, to recommend approval to the City Council of subject zoning map amendment for Tract A-1, more particularly described in Resolution 16-004, from CG-General Commercial to I-Industrial with Special Limitations.

Staff Report: Ms. Garley reported background and surrounding zoning information on the proposed zoning map amendment. The applicants are Matt Tomter of Matanuska Brewing Company, LLC and Alaska Department of Natural Resources, Department of Agriculture. Public notice and publishing requirements pursuant to code have been met. A total of 2 written comments (on the table) were received in response, both in favor.

Staff recommends approval based on the following findings if the Commission concurs:

Fact 1) The proposed change is in accordance with the borough and city comprehensive plans;

Finding: Goal 3 of Chapter 6 of the City of Palmer Comprehensive Plan states: "Support the continuation of institutional and appropriate industrial uses." In Objective B, Goal 3, the Plan mentions support of continued industrial use consistent with other plan goals and the need for industrial uses to be located and managed so they are good neighbors to adjoining uses. The Plan recognized the need for the re-development of the Mat-Maid block.

The proposed change supports the re-development of this parcel and restricts the Industrial uses to brewing and bottling plant with related activities and customary accessory uses to maintain harmony with the existing neighbors and compatibility with adjoining uses. The property has historically been used for a bottling plant and creamery (Mat-Maid). This brewery and bottling plant will be an appropriate industrial use for this property.

Fact 2) The proposed change is compatible with surrounding zoning districts and the established land use pattern;

Finding: The parcel's location is surrounded by a mix of Industrial, General Commercial, Public, Limited Commercial and High Density Residential uses. Located to the west and contiguous to subject parcel is Crowley Petroleum; to the south of this parcel are the old Colony power plant building, the remaining footings for the Colony warehouse and a mini-storage facility; to the east is commercial and across the street are Denali Square Office buildings and multi-family housing; and to the north are State Troopers and Palmer Police Department offices.

If rezoned to Industrial with Special Limitations restricting the Industrial use to brewing and bottling plant with related activities and customary accessory uses this parcel would continue to be compatible with surrounding zoning districts and is compatible with the prior use of this parcel as a milk production facility.

Fact 3) Public facilities such as schools, utilities, and streets are adequate to support the proposed change;

Finding: This parcel is adjacent to Crowley Petroleum which frequently receives

large loading trucks utilizing South Valley Way which is adequate to support the traffic generated by the proposed change. There are existing utilities and structures on subject parcel from the previous use as a milk production facility which would be adequate to support the proposed change.

Fact 4) Changed conditions affecting the subject parcel or the surrounding neighborhood support the proposed change;

Finding: The Mat-Maid Creamery building has been vacant for several years. Originally, this was part of the Matanuska Colony Industrial area. The surrounding neighborhood consists of industrial, commercial and public uses. The proposed change with the special limitations will help to encourage and support more economic development in this area.

Fact 5) The proposed change is consistent with the public welfare and does not grant a special privilege to the owner(s).

Finding: The proposed zone change is consistent with the public welfare by encouraging the use of this abandoned building as a beverage production facility as it was in the past. The proposed zone change does not grant the owner any special privilege as the requested zone change is consistent with contiguously zoned Industrial property.

Public Hearing:

Applicant's Presentation:

Matt Tomter, Matanuska Brewing Company, LLC, outlined plans for improvements to the property including removing all the vegetation and replacing with lawn/landscaping. The silo itself would be used as the brewery tasting room and retail store, emphasizing there would be no bar or restaurant; it will primarily be a large production facility. The grain elevator will remain in place. Fencing will surround the property. There will be some tractor/trailer activity by Odom Corporation three or four times a week early in the morning to pick up the beer; not a lot of traffic will be created. There is very little waste created by brewing beer, no contaminants; the only by-product is spent grain which the Reindeer Farm has already agreed to take. Mr. Tomter asked the Commission to approve the rezoning request. Brief questions followed with regard to parking and number of employees.

[Chairman Lucas opened the public hearing at 7:16 p.m.]

Samuel Pelant reminded of his previous discussions with Director Garley and former City Manager Joe Hannon concerning plans for the adjacent Tract B-2, directly south of A-1, which plans included a brewery among other businesses to support Palmer. They were told at the time that just a brewery would have to be built in an Industrial zone location. They took that to heart and over the last few years he and the owner have been working on putting together a plan beyond just a brewery to build a commercial general application for A-2; the owner is now concerned that an Industrial designation for Tract A-1 would lower the property value of A-2. Mr. Pelant emphasized that he is not opposed to a brewery. He proposed a delay in the decision to allow the parties to talk and explore any mutual interests concerning the two properties.

Ms. Garley addressed Mr. Pelant's concerns and there was brief procedural discussion.

Andrea Noble-Pelant spoke in support of her husband's concept for Tract A-2, noting that her work and field of business is art and culture; she is the acting Executive Director of the Alaska State Council on the Arts. She talked about how a community is affected by something new and what takes a community to the next step through art and culture. She commented that when the Commission hears from them next time, it can expect to hear some of these things that will make their plan distinctly different than the one being entertained this evening.

[There being no others coming forward to speak, the public hearing was closed at 7:22 p.m.]

Discussion on motion:

Commissioner Kerslake spoke in appreciation of private industry being involved in development of this property. The discussion right now is not whether two different operations can cohabitate, but pursuant to the information before us and in a practical stance, if the owner of the other property were to proceed with General Commercial, it wouldn't necessarily be a bad fit because of Crowley and Industrial zoning on the opposite side of the lot. Although he would like to hear other comments, he is generally excited about this development.

Commissioner Fuller spoke reluctantly in opposition and is somewhat torn; thinks it is a great idea and would love to see this area cleaned up from the blight that it has been for years. In review of the Comprehensive Plan, however, goal 3, he cited the last paragraph that says Palmer should also make an effort to phase out Industrial areas in other parts of town over the next 20 years, specifically referring to Crowley Fuel and the Borough facilities on E. Auklet. And Goal 4, Objective A, expand commercial and mixed use areas in Downtown east of the Alaska Railroad. He believes the proposal is a great idea and would love to see it developed, but doesn't think it follows the guidance of the Comp Plan. He cited concerns about parking and cautioned about making one exception to the standards that have been set, then having to do the same for the next one that comes along. It would be great if we could fit breweries into Commercial.

Commissioner Petty spoke in favor, commenting that it is a great idea; pointed out that it is a brewery but it is small, will not be employing a lot of people, and does not think traffic would be impacted; that it would look 100 percent better; does not think the owner would be receiving any special privileges as a result and it will benefit Palmer. He thinks it is a good idea and encouraged a vote in favor.

Commissioner Maxwell commented in favor, noting some concerns about access from Valley Way and Arctic which are busy roads; likes that the early morning hours will be utilized for the tractor-trailer traffic; likes that it is a small brewery with an area to sell growlers and tee shirts, etc.; likes the mix of commercial and industry if it's small; applauded the idea of repurposing the existing facilities and making use of what could be considered historic; that it is great to see a brewery going into an old creamery.

Commissioner Kircher agreed with Commissioner Fuller in opposition, commenting that it is so tempting to put something in there because it is so run down and ratty-looking and the City could use the income, but thinks it is the wrong use in the wrong place as Industrial; that there have been designs for integrating the use of the entire complex which he thinks needs to be done. He thinks the City should take the lead in requiring a comprehensive plan for the Mat-Maid facility.

Chairman Lucas spoke very much in favor, pointing out with regard to the Industrial aspect that the Special Limitations imposed would restrict the activities to only brewing and bottling and thus eliminate the possibility of it turning into another fuel bulk plant or waste produce facility. He thinks it would be an excellent location for several facilities of this nature and if he were the owner of the adjacent lot, he would be pleased that anything at all would be happening north of them considering how it currently appears; noted that he seriously doubts there would be any property devaluation as a result of this proposed development. The City has talked about various comprehensive plans and there have been a whole lot of ideas expressed, but there are always enough people complaining that nothing ever really happens; he encouraged that we should take advantage of this rare instance of letting the private sector take the lead and do some good here.

Commissioner Kerslake seconded Chairman Lucas' comments reiterating that the Special Limitations will protect from other heavy or objectionable industrial uses; pointed out that the more development that takes place on this lot, development on other lots will follow and people will make the investment. He is ecstatic that private money is taking the lead on this and not government; encouraged a vote in favor.

ROLL CALL VOTE: [recommending approval of Resolution 16-004]: **PASSED**
[In favor: Kerslake, Petty, Lucas, Maxwell]
[Opposed: Kircher, Fuller]

H. UNFINISHED BUSINESS: None.

I. NEW BUSINESS: None.

J. PLAT REVIEWS: None.

K. PUBLIC COMMENTS:
There were no persons wishing to speak on a topic not on the agenda.

L. STAFF REPORT:
Ms. Garley reported that the Resolution on expanding the boundaries of the Central Business District will be moving forward to the City Council; she will notify of the public hearing date.

M. COMMISSIONER COMMENTS: None.

N. ADJOURNMENT:

There being no further business, the meeting was adjourned at 7:36 p.m.

Dan Lucas, Chairman

Kimberly A. McClure
Planning and Code Compliance Technician

minutes



A. CALL TO ORDER

A special meeting of the Palmer City Council was held on June 21, 2016, at 6 pm in the council chambers, Palmer, Alaska.

Mayor Johnson called the meeting to order at 6:03 pm.

B. ROLL CALL

Comprising a quorum of the Council, the following were present:

Richard Best	Brad Hanson
Steve Carrington	DeLena Johnson
Linda Combs	Peter LaFrance
Edna DeVries	

Also in attendance were the following:

Nathan Wallace, City Manager
Norma Alley, City Clerk
Ailis Vann, Minutes Recorder
Michael Gatti, City Attorney

C. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by City Manager Nathan Wallace.

D. AUDIENCE PARTICIPATION

Mayor DeLena Johnson

- Read a proclamation honoring Tom Healy for his years of service to the City of Palmer.

John Troutner – 49th State Street Rodders:

- Spoke to the value of car shows in the City of Palmer;
- Discussed the conflict between Military Appreciation Day and the Colony Days parade; and
- Requested that the Colony Days Parade be moved to the first or third Saturday in June in order for the Street Rodders to be able to participate in the parade.

E. NEW BUSINESS

Item 1 - City of Palmer Personnel Structure Review –

Main Motion: To enter into a Committee of the Whole

Moved by:	Best
Seconded by:	Carrington
Action:	Motion carried by unanimous voice vote.
In favor:	Best, Carrington, Combs, DeVries, Hanson, Johnson, LaFrance
Opposed:	None

The Council entered into a Committee of the Whole at 6:08 pm and exited at 8:10 pm. While in Committee of the Whole, City Manager Wallace presented potential personnel changes for discussion (as shown in items placed on the table). The Council recommended the changes receive further review.

F. RECORD OF ITEMS PLACED ON THE TABLE

Proclamation for Tom Healy for his years of service to the community
Letter from the 49th State Street Rodders
City Manager Wallace's Organizational chart

G. COUNCIL MEMBER COMMENTS

Council Member Best:

- Commented on the Alaska Skydiving Club's 580 jumps over the weekend in Palmer;
- Spoke to developing the retail side of the Palmer Municipal Airport;
- Mentioned the upcoming Scottish Highland Games being held at the Alaska State Fairgrounds; and
- Spoke to his attendance of the Alaska Department of Fish and Game and Cabela's sponsored youth-only fishing day for King Salmon at Eklutna Tailrace.

Council Member LaFrance:

- Stated it was nice to be back in Alaska.

Council Member Carrington:

- Thanked City Manager Wallace for his presentation.

Council Member Hanson:

- Welcomed back Council Member LaFrance; and
- Thanked City Manager Wallace for his presentation.

Council Member DeVries:

- Thanked City Manager Wallace for his presentation; and
- Welcomed the new Director of Public Works.

Council Member Combs:

- Reminded everyone to keep an eye out for bicyclists;
- Expressed concern over moving Colony Days to a different weekend; and
- Thanked City Manager Wallace for his presentation.

Mayor Johnson:

- Thanked City Manager Wallace for his presentation; and
- Commented on how grateful she is to have her children returning to Palmer.

With no further business before the Council, the meeting adjourned at 8:20 pm.

Approved this twelfth day of July, 2016.

Norma I. Alley, MMC, City Clerk

DeLena Johnson, Mayor

A. CALL TO ORDER

A regular meeting of the Palmer City Council was held on June 28, 2016, at 7 pm in the council chambers, Palmer, Alaska.

Mayor Johnson called the meeting to order at 7:00 pm.

B. ROLL CALL

Comprising a quorum of the Council, the following were present:

Richard Best	Brad Hanson
Steve Carrington	DeLena Johnson
Linda Combs	Peter LaFrance
Edna DeVries	

Also in attendance were the following:

Nathan Wallace, City Manager
Norma Alley, City Clerk
Bernadette Packa, Deputy City Clerk
Michael Gatti, City Attorney

C. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Council Member LaFrance.

D. APPROVAL OF AGENDA

1. Approval of Consent Agenda
 - a. Introduction of **Ordinance No. 16-015**: An Ordinance of the Palmer City Council Amending Palmer Municipal Code 17.64.050 Central Business District Boundary and Amending the Zoning Map to Show the Expanded Boundary as Recommended by the Planning and Zoning Commission (IM 16-027)
 - b. **Action Memorandum No. 16-052**: Approve Commissioner Jeff Tuttle's Resignation from the Airport Advisory Commission Effective June 17, 2016

Main Motion: To approve consent agenda

Moved by:	Hanson
Seconded by:	Combs
Action:	Motion carried by unanimous voice vote.
In favor:	Best, Carrington, Combs, DeVries, Hanson, Johnson, LaFrance
Opposed:	None

E. COMMUNICATION AND APPEARANCE REQUESTS

Item 1 - Visitor Center/Museum Director Selena Ortega-Chiolero

- Provided an overview of the number of visitors in 2015;
- Shared about the Palmer Museum/Visitor Center Website released in June of 2015 and its features;
- Commented on the use of grant funding to acquire new display/storage cases, open the Saroma Collection display, purchase four desktop workstations, and purchase a new scanner and archival supplies;
- Detailed the current projects in progress;
- Provided an overview of the upcoming Midsummer Garden & Art Faire; and
- Fielded questions from the Council.

F. REPORTS

Item 1 – City Manager’s Report

City Manager Nathan Wallace:

- Highlighted his written report;
- Announced submission of the E-911 and Dispatch Proposal;
- Addressed purchase offer for City owned land received from Valor Corporation; and
- Fielded questions from the Council concerning the property sale.

Discussion ensued regarding ongoing parking of RV’s and vehicles on the street.

Item 2 – City Clerk’s Report

City Clerk Norma Alley:

- Apologized for issues with the projector;
- Announced the opening of registration for the Summer AML Conference;
- Recognized Deputy Clerk Packa for completion of the training requirement to receive her Certified Municipal Clerk designation; and
- Fielded questions from the Council.

Council Member DeVries asked for a follow up on research for the purchase of a voting board and provided a reminder that a mid-year budget review was requested.

Item 3 – Mayor’s Report

Mayor Johnson:

- Spoke to the International Scottish Highland Games held in Palmer last weekend.

G. AUDIENCE PARTICIPATION

Matthew Beck, Member of the Mat-Su Borough Assembly:

- Encouraged the City staff and Council to draw him in as needed to address matters;
- Thanked City Manager Wallace for his attendance at a recent Borough Assembly meeting; and
- Expressed appreciation to the Council for its service.

John Lee, Airport Advisory Commission Chair:

- Spoke to the resignation of Airport Advisory Commission Member Jeff Tuttle; and
- Requested Mr. Tuttle remain eligible to return to the commission at a later date.

Mayor Johnson expressed appreciation for the service of Airport Advisory Commission Member Jeff Tuttle.

H. PUBLIC HEARINGS

Mayor Johnson opened the public hearing. Seeing no one come forward, Mayor Johnson closed the public hearing.

Item 1 – Ordinance No. 16-014: An Ordinance of the Palmer City Council Amending Palmer Municipal Code Sections 3.22.020 (A), 3.22.045 (B), and 3.22.060 Regarding Disposal of Abandoned, Stolen or Found Property (IM 16-024)

Main Motion: To adopt Ordinance No. 16-014

Moved by:	Hanson
Seconded by:	Combs
Action:	Motion carried by unanimous voice vote.
In favor:	Best, Carrington, Combs, DeVries, Hanson, Johnson, LaFrance
Opposed:	None

I. ACTION MEMORANDA

Item 1 – Action Memorandum 16-041: Authorize the City Manager to Enter into a One Year Agreement with the State of Alaska, Department of Natural Resources, Division of Forestry to Provide Fire Suppression Response and Assistance to the Division of Forestry with Regards to Wildland Firefighting Emergencies

Main Motion: To authorize Action Memorandum 16-041

Moved by:	Hanson
Seconded by:	DeVries
Action:	Motion carried by unanimous voice vote.
In favor:	Best, Carrington, Combs, DeVries, Hanson, Johnson, LaFrance
Opposed:	None

Item 2 – Action Memorandum 16-047: Authorize the City Manager to Amend the Professional Services Agreement with HDR, Inc. in an Amount Not to Exceed \$842,107 for Design and Engineering Services for the Palmer Wastewater Treatment Plant Upgrades Project

Main Motion: To authorize Action Memorandum 16-047

Moved by:	Combs
Seconded by:	DeVries
Action:	Motion carried by unanimous voice vote.
In favor:	Best, Carrington, Combs, DeVries, Hanson, Johnson, LaFrance
Opposed:	None

Item 3 – Action Memorandum 16-048: Authorize the City Manager to Negotiate and Execute a Contract with the Lowest Responsive Bidder for the Construction of the Sherrod Area Water and Street Improvement, Phase 4, Project in an Amount Not to Exceed \$1,750,000

Main Motion: To authorize Action Memorandum 16-048 as amended

Moved by:	Hanson
Seconded by:	Combs
Action:	Motion carried by unanimous voice vote.
In favor:	Best, Carrington, Combs, DeVries, Hanson, Johnson, LaFrance
Opposed:	None

Primary Amendment #1: To replace Lowest Responsive Bidder with Dirtworks, Inc. and replace \$1,750,000 with \$1,231,752.15.

Moved by:	Johnson
Seconded by:	Combs
Action:	Motion carried by unanimous voice vote.
In favor:	Best, Carrington, Combs, DeVries, Hanson, Johnson, LaFrance
Opposed:	None

City Manager Wallace provided information concerning the bid proposal and fielded questions from the council.

Item 4 – Action Memorandum 16-049: Authorize the City Manager to Purchase Insurance Coverage for the Period July 1, 2016 through June 30, 2017, per the Premium Quote submitted by the City's Insurance Broker, Alaska USA Insurance Brokers with Two Additional Renewal Years

Main Motion: To authorize Action Memorandum 16-049

Moved by:	Carrington
Seconded by:	DeVries
Action:	Motion carried by unanimous voice vote.
In favor:	Best, Carrington, Combs, DeVries, Hanson, Johnson, LaFrance
Opposed:	None

Item 5 – Action Memorandum 16-050: Direct the City Clerk to Prepare a Resolution to Place Council Term Limits on the October 4, 2016, Ballot

Main Motion: To authorize Action Memorandum 16-050

Moved by:	LaFrance
Seconded by:	Carrington
Action:	Motion carried by a 4-3 roll call vote.
In favor:	Carrington, DeVries, Johnson, LaFrance
Opposed:	Best, Combs, Hanson

Discussion ensued.

J. UNFINISHED BUSINESS

K. NEW BUSINESS

Item 1 – Resolution No. 16-015: A Resolution of the Palmer City Council Identifying the City of Palmer’s Capital Project Priorities for State and Federal Funding (IM 16-025)

Main Motion: To approve Resolution No. 16-015

Moved by:	Best
Seconded by:	DeVries
Action:	Motion carried by unanimous voice vote.
In favor:	Best, Carrington, Combs, DeVries, Hanson, Johnson, LaFrance
Opposed:	None

City Manager Wallace provided clarification regarding the listed projects.

Item 2 – Resolution No. 16-016: Resolution No. 16-016: Accepting and Appropriating the 2016 Volunteer Fire Assistance Grant from the State of Alaska, Department of Natural Resources, Division of Forestry in the Amount of \$6,576 for the Purchase of Wildland Firefighting Equipment and Fire Safety Shelters (IM 16-026)

Main Motion: To approve Resolution No. 16-016

Moved by:	Combs
Seconded by:	DeVries
Action:	Motion carried by unanimous voice vote.
In favor:	Best, Carrington, Combs, DeVries, Hanson, Johnson, LaFrance
Opposed:	None

L. RECORD OF ITEMS PLACED ON THE TABLE

Purchase Offer from Valor Corporation
Notice of Intent to Award to Dirtworks, Inc.

M. AUDIENCE PARTICIPATION

Dave Fuller:

- Spoke to Capital Project Priorities list and challenged the Council to look at other needs that would improve quality of life or critical infrastructure.

N. COUNCIL MEMBER COMMENTS

Council Member Combs:

- Expressed pleasure regarding the contract award to Dirtworks, Inc.;
- Shared about the upcoming Midsummer Garden & Art Faire;
- Reminded everyone that the Palmer Pride Picnic & City of Palmer Birthday Bash will take place July 22, 2016 from 4-7 pm at the Palmer Depot; and
- Requested support to direct that policy and procedures for boards and commissions be developed and that she be a part of that development. Council Member DeVries offered support.

Council Member DeVries:

- Commented on Tiny Houses and asked that the topic be placed on an upcoming Planning & Zoning Commission agenda; and
- Distributed copies of the Borough Marijuana Advisory Commission Resolution 16-002.

Mayor Johnson commented that copies of the Advisory Commission Resolution would be made available for the public at the next City Council meeting.

Deputy Mayor Hanson:

- Addressed the political climate in relation to a fair polling for term limits.

Council Member Carrington:

- Spoke to the Central Business District boundary expansion being insufficient and commented on the need to expand City boundaries as well.

Council Member LaFrance:

- Showed support for expansion of the City boundaries;
- Commented on the Little A Triathlon that took place last weekend; and
- Expressed excitement regarding the Matanuska Peak Challenge and Hatcher Pass Epic which are both scheduled for August.

Council Member Best:

- Asked for Council support to have the Planning & Zoning Commission review and determine the appropriate location for businesses who sell devices for smoking marijuana. Council Member Combs offered support.

O. ADJOURNMENT

With no further business before the Council, the meeting adjourned at 9:35 pm.

Approved this twelfth day of July, 2016.

Norma I. Alley, MMC, City Clerk

DeLena Johnson, Mayor

reports



BOARDS and COMMISSIONS

Board of Economic Development (6 June):

- Worked on Resolution 16-001: Recommending amendments to the Palmer Municipal Code regarding Nuisance, Junk, Litter and Unsightly Premises

Next meeting: 11 July

Parks, Recreation, and Cultural Resources Advisory Board (2 June):

- Heard a presentation on new skateboard park design concept by Max Schillinger;
- Meggie Aube-Trammell was elected to fill Helene Antel's unexpired term as chair;
- Recommended posting quiet hours and a closing times for city parks.

Next meeting: 7 July

Planning and Zoning Commission (16 June):

- Conducted public hearing and passed a resolution recommending zoning map change from General Commercial to Industrial with Special Limitations for a portion of the Mat-Maid Block. Action is in Introduction on this agenda.

Next meeting: 21 July

Airport Advisory Commission (23 June):

- Discussed directional and services signage for airport (potential public/private venture)
- Discussed airport security/safety controls to prevent unauthorized and/or unintended traffic on runways/taxiways/aprons.
- Discussed Skydiving event success and potential for 2017
- Discussed disabled aircraft and airport appearance.

Next meeting: 28 July

public hearings



**City of Palmer
Information Memorandum No. 16-031
Resolution No. 16-018**

Subject: Resolution No. 16-018 Authorizing the City of Palmer to Issue Utility Revenue Bonds in the Principal Amount Not to Exceed \$5,000,000 to Finance Water and Wastewater Utility and Related Capital Improvements, and to Submit the Question of the Issuance of Such Bonds to the Qualified Voters of the City at the October 4, 2016, City Election

Agenda of: July 12, 2016

Council Action: _____

Originator Information:




Originator: Nathan Wallace, City Manager

Date: June 20, 2016 **Requested agenda date:** _____

Department Information :

Route to:	Department Director:	Signature:	Date:
_____	Community Development	_____	_____
<u>X</u>	Finance		<u>6/21/16</u>
_____	Fire Department	_____	_____
_____	Police Department	_____	_____
_____	Public Works	_____	_____

Approved for presentation by:

	Signature:	Remarks:
City Manager		_____
City Attorney		_____
City Clerk		_____

Certification of Funds:

Total amount of funds listed in this legislation: \$ _____

This legislation ():


- Has no fiscal impact Creates a positive impact in the amount of: \$ No effect for 2016
- Creates a negative impact in the amount of: \$ _____

Funds are ():

- Budgeted Line item(s): _____
- Not budgeted Affected line item(s): _____

General fund unassigned balance (after requested budget modification): \$ _____

Enterprise unrestricted net position (after requested budget modification): \$ _____

Director of Finance Signature: 

Attachment(s):

- Resolution 16-018

Summary statement: Resolution No. 16-018 will authorize the City to issue utility revenue bonds in an amount not to exceed \$5,000,000 to finance certain improvements to the City's water and wastewater utility and related capital improvements.

Background: The City has identified several water and wastewater utility projects which could be completed over the next several years. Potential projects include upgrades to the Wastewater Treatment Plant.

Resolution No. 16-018 authorizes the City to ask the voters whether it should issue utility revenue bonds in the principal amount not to exceed \$5,000,000 to finance water and wastewater utility and related capital improvements for the benefit of the citizens of Palmer and all those who reside in the City's water and wastewater service area.

Conceivably, proceeds derived from the issuance of utility revenue bonds could be used to match State or federal funding sources.

Administration recommendation: Authorize action memorandum 16-018.

Introduced by: City Manager Wallace
Date: July 12, 2016
Action:
Vote:

Yes:	No:

CITY OF PALMER, ALASKA

RESOLUTION NO. 16-018

A Resolution Of The City Council Of The City Of Palmer, Alaska, Authorizing The City Of Palmer To Issue Utility Revenue Bonds In The Principal Amount Of Not To Exceed \$5,000,000 To Finance Water And Wastewater Utility And Related Capital Improvements, And To Submit The Question Of The Issuance Of Such Bonds To The Qualified Voters Of The City At The October 4, 2016 City Election

WHEREAS, the City of Palmer, Alaska (the "City") is a home rule city and under Section 11 of Article X of the Alaska Constitution may exercise all legislative power not prohibited by law or the charter of the City, and the City has determined that the matters set forth in this resolution are not prohibited by law or the charter; and

WHEREAS, Section 11.1(a)(2) of the Palmer City Charter authorizes the City to issue revenue bonds which are secured only by the revenue producing public utilities and do not constitute a general obligation or debt of the City, provided that such revenue bonds shall be authorized by the council and ratified by a majority of the qualified voters of the City; and

WHEREAS, it is necessary and in the best interest of the City to authorize the issuance of utility revenue bonds for the purposes described in this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PALMER, ALASKA, that:

Section 1. It is hereby determined to be for a public purpose and in the public interest of the City to incur utility revenue bonded indebtedness in an amount not to exceed Five Million Dollars (\$5,000,000), for the purpose of financing capital improvements to the City's water and wastewater utility facilities and related capital improvements and to pay costs of issuance of such bonds.

Section 2. The City is authorized to borrow the sum of not to exceed Five Million Dollars (\$5,000,000) to finance the capital improvements described in Section 1, and the borrowing shall be evidenced by the issuance of utility revenue bonds of the City. The revenues of the City water and wastewater utility shall be pledged for payment of the principal of and interest on the bonds. The bonds shall not be a general obligation of the City, and neither the full faith

and credit nor the taxing power of the City shall be pledged to the payment of the principal of or interest on the bonds.

Section 3. The City shall submit the following proposition to the qualified voters of the City at the October 4, 2016, regular City election. The proposition must receive an affirmative vote from a majority of the qualified voters voting on the question to be approved.

PROPOSITION NO. __

UTILITY REVENUE BONDS FOR WATER AND WASTEWATER
UTILITY
AND RELATED CAPITAL IMPROVEMENTS

Shall the City of Palmer incur utility revenue bonded indebtedness and issue utility revenue bonds in the principal amount of not to exceed Five Million Dollars (\$5,000,000) to finance capital improvements to the City's water and wastewater utility facilities and related capital improvements and pay costs of issuance of such bonds?

The bonds shall be paid from water and wastewater utility revenues. The bonds shall not be a general obligation of the City, and neither the full faith or credit nor the taxing power of the City shall be pledged to the payment of the principal of or interest on the bonds.

PROPOSITION NO. __ Yes ()
 No ()

Section 4. Section 2 of this Resolution shall become effective only if the proposition described in Section 3 is approved by a majority of the qualified voters voting on the proposition at the regular election on October 4, 2016. The remaining sections of this Resolution shall become effective upon passage and approval.

PASSED AND APPROVED by the City Council of the City of Palmer, Alaska this _____ day of July, 2016.

CITY OF PALMER

DeLena Johnson, Mayor

ATTEST:

Norma I. Alley, MMC, City Clerk

City of Palmer
Information Memorandum No. 16-030
Resolution No. 16-001-B

Subject: Resolution No. 16-001-B: Amending the 2016 City of Palmer Budget for Fiscal Year Ending December 31, 2016.

Agenda of: July 12, 2016

Council Action: _____


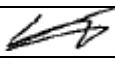
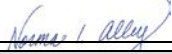
Originator Information:

Originator: Esther Greene – Finance Director
Date: 6/22/2016 **Requested agenda date:** 7/12/16 & 7/26/16

Department Information \checkmark :

Route to:	Department Director:	Signature:	Date:
_____	Community Development	_____	_____
_____	Finance		6/22/16
_____	Fire Department	_____	_____
_____	Police Department	_____	_____
_____	Public Works	_____	_____

Approved for presentation by:

	Signature:	Remarks:
City Manager		_____
City Attorney		_____
City Clerk		_____

Certification of Funds:

(46,110) All Funds
\$ (25,459) Gen Fund; \$(8,223) W/S Fund;

Total amount of funds listed in this legislation: \$ **\$ (12,428) Airport Fund**

This legislation (\checkmark):

- Has no fiscal impact Creates a positive impact in the amount of: \$ _____
 Creates a negative impact in the amount of: \$ (46,110) All Funds

Funds are (\checkmark):

- Budgeted Line item(s): _____
 Not budgeted Affected line item(s): Various Line Items; Refer to Resolution

General fund unassigned balance (after requested budget modification): \$ 2,123,539

Enterprise unrestricted net position (after requested budget modification): \$ 58,174

Director of Finance Signature: _____



Attachment(s):

- Resolution No. 16-001-B

Summary statement: The mid-year budget amendment adjusts revenues and expenditures/expenses to more accurately reflect mid-year balances.

The General Fund (01) revenues for adjustment include the following:

- Increase to Liquor License revenue to actual.
- Increase in Planning & Zoning revenue to actual.
- Increase in Interest /Investment Earnings to actual.
- Increase in Transfer from Other Funds for funding from the Road Fund for replacing curb, cutter and new asphalt on various roadways.
- Increase to Misc. Revenue Grow Palmer for grants received from the Rasmuson Foundation, Mat Su Trails & Parks Foundation, Mat Su Health Foundation.
- Increase in Misc. Revenue PW UPS insurance claim at City Hall, extra Depot cleaning, MEA refund.
- Increase in Misc. Income Community Services for Library USACE E-Rate Funds.
- Increase in Misc. Income Public Safety for evidence forfeit and APEI Fire Equipment & Training Grant.
- Increase in Misc. Income for NSF check fees, postage, MTA Capital Credit Return.
- Increase in Insurance Reimbursement for property damage reimbursement for light pole.
- Increase in Restitution Revenue for Police.

Amendments to the General Fund (01) expenditures include the following:

- Decrease in Finance Unemployment taxes to cover Unemployment taxes for Community Development; Mayor, Council, Clerk; and MTA Event Center.
- Increase to City Hall Repair & Maintenance for repairs to wall damaged by UPS.
- Increase to Grow Palmer Grant Expenditures for grants received by Grow Palmer.
- Increase to Regular Overtime in the Communication Center due to being short staffed.
- Increase in Fire Small Tools & Equipment for APEI Fire Equipment & Training Grant.
- Increase in Public Works salary and benefits budget for new director.
- Increase in PW Roads Contractual Services for Standard Spec Drawings city roads, street lights, sidewalks, etc. Last updated 1998.
- Increase in PW Roads Repair & Maintenance to replace curb, cutter and new asphalt for various roadways.
- Increase in PW Street Lights Power for extra Bogard Road Street Lights.
- Increase in Street Lights Repair & Maintenance for damaged street light pole reimbursed by insurance.
- Increase in Library operating supplies for USACE E Rate Funds.
- Increase in Library Grant Operating Supplies for remaining funds from 2015-2016 PLA grant.

The Water/Sewer Fund (02) revenues for adjustment include the following:

- Increase in Insurance Reimbursement for satisfaction of judgement Beeson case.
- Increase in Credit Card Fee revenue for online credit card fees not budgeted in original 2016 budget.
- Increase in Misc. Income for State reimbursement for Palmer-Wasilla Highway East Terminus utility relocation.
- Increase in Disconnect Fees.

Amendments to the Water/Sewer Fund (02) expenses include the following:

- Increase in Operating Supplies for AM 16-029 reimburse Alaska State Fair oversizing 1,928 feet of sewer pipe main.

The Airport Fund (03) revenues for adjustment include the following:

- Increase in Misc. Income for Enstar main extension deposit refund checks.

Amendments to the Airport Fund (03) expenses include the following:

- Increase in regular salaries and benefits for increase salary for Airport Superintendent.
- Increase to transfer out to move funds for Randy Thom Flight Services Center Resolution 16-001-A to Airport Capital Projects Fund 30.
- Decrease to Repairs and Maintenance to move Randy Thom Flight Services Center Repairs, Resolution 16-001-A.
- Increase to Aeronautical Study Phase 2 of Airport Master Plan for City share of expense for shortfall of estimated budget for start of 2016.

Amendments to Road Fund (10) to transfer funds to General Fund to fund Road Repairs & Maintenance.

Amendments to Airport Capital Projects Fund (30) for the Capital Improvements to Randy Thom Flight Services Center Resolution 16-001-A.

General Fund Unassigned Fund Balance: The General Fund unassigned fund balance after Resolution 16-001-B, will be \$2,123,539 (based on year end 2015 prior to year-end audit). This brings the unassigned fund balance to 19.70% of total budgeted general fund expenditures. This is above the 16.67% best practices recommendation by the Government Finance Officers Association for unassigned fund balance.

Administration recommendation: Adopt Resolution 16-001-B

Introduced by: City Manager Wallace
First Public Hearing: July 12, 2016
Second Public Hearing: July 26, 2016
Action:
Vote:

Yes:	No:

City of Palmer, Alaska

Resolution No. 16-001-B

A Resolution of the Palmer City Council Amending the Budget for the City of Palmer, Alaska for the Fiscal Year Ending December 31, 2016

WHEREAS, at the July 26, 2016, council meeting the manager presented budget amendments and the City Council approved increasing General Fund (01) revenues \$116,170 and increasing General Fund (01) expenditures by \$141,629 for a net decrease of \$25,459; and

WHEREAS, at the July 26, 2016, council meeting the manager presented budget amendments and the City Council approved increasing Water/Sewer Fund (02) revenues \$34,000 and increasing Water/Sewer Fund (02) expenses \$42,223 for a net decrease of \$8,223; and

WHEREAS, at the July 26, 2016, council meeting the manager presented budget amendments and the City Council approved increasing Airport Fund (03) revenues \$1,792 and increasing Airport Fund (03) expenses \$14,220 for a net decrease of \$12,428; and

WHEREAS, at the July 26, 2016, council meeting the manager presented budget amendments and the City Council approved decreasing the General Road Projects Fund (10) expenditures by \$19,100; and

WHEREAS, at the July 26, 2016, council meeting the manager presented budget amendments and the City Council approved increasing the Airport Capital Projects Fund (30) revenues by \$54,500 and increasing the Airport Capital Projects Fund (30) expenses by \$54,500; and

NOW, THEREFORE, BE IT RESOLVED by the Palmer City Council to amend the 2016 budget as follows:

Line item description	Current 2016 Budget	Proposed Amendment	Amended 2016 Budget
GENERAL FUND (01)			
General Fund (01) Revenues:			
01-00-00-3351 Liquor License	\$ 12,000	\$ 2,800	\$ 14,800
01-00-00-3427 Planning & Zoning	\$ 1,500	\$ 5,500	\$ 7,000
01-00-00-3610 Interest/Inv Earnings	\$ 15,000	\$ 15,000	\$ 30,000
01-00-00-3673 Transfers from Other Funds	\$ 102,016	\$ 19,100	\$ 121,116
01-00-00-3686 Misc. Rev Grow Palmer	\$ 0	\$ 48,000	\$ 48,000
01-00-00-3687 Misc. Rev – PW	\$ 0	\$ 1,200	\$ 1,200
01-00-00-3688 Misc. Income-Comm Services	\$ 0	\$ 1,000	\$ 1,000
01-00-00-3689 Misc. Income-Public Safety	\$ 0	\$ 4,000	\$ 4,000
01-00-00-3690 Misc. Income	\$ 0	\$ 12,650	\$ 12,650
01-00-00-3693 Insurance Reimbursement	\$ 0	\$ 6,820	\$ 6,820
01-00-00-3700 Restitution Revenue – Police	\$ 0	\$ 100	\$ 100
TOTAL GENERAL FUND REVENUE AMENDMENTS		\$ 116,170	
General Fund (01) Expenditures:			
Finance:			
01-01-10-6072 Unemployment Taxes	\$ 30,000	\$ (1,000)	\$ 29,000
Total Finance Amendments		\$ (1,000)	
Community Development:			
01-01-12-6072 Unemployment Taxes	\$ 0	\$ 100	\$ 100
Total Community Dev Amendments		\$ 100	
City Hall			
01-01-30-6045 Repairs & Maintenance	\$ 10,000	\$ 120	\$ 10,120
Total Community Center (Depot) Amendments		\$ 120	
Non-Departmental:			
01-01-70-6686 GrowPalmer Grant Expenditures	\$ 0	\$ 48,000	\$ 48,000
Total Non-Departmental Amendments		\$ 48,000	
Mayor/Council/Clerk:			
01-02-10-6072 Unemployment Taxes	\$ 0	\$ 200	\$ 200
Total Mayor/Council/Clerk Amendments		\$ 200	
Communication Center:			
01-12-70-6015 Regular Overtime	\$ 95,000	\$ 25,000	\$ 120,000
Total Communication Center Amendments		\$ 25,000	
Fire:			
01-13-10-6046 Small Tools & Equipment	\$ 10,000	\$ 1,000	\$ 11,000
Total Fire Amendments		\$ 1,000	

Line item description	Current 2016 Budget	Proposed Amendment	Amended 2016 Budget
Public Works Admin:			
01-17-10-6011 Regular Salaries	\$ 383,625	\$ 8,795	\$ 392,420
01-17-10-6012 Regular Benefits	\$ 324,979	\$ 2,850	\$ 327,829
Total PW Admin Amendments		\$ 11,645	
Public Works Roads:			
01-17-40-6030 Roads Contractual Services	\$ 40,000	\$ 14,090	\$ 54,090
01-17-40-6045 Roads Repair & Maintenance	\$ 15,000	\$ 19,100	\$ 34,100
Total PW Roads Amendments		\$ 33,190	
Public Works Street Lights:			
01-17-60-6032 Street Lights Power	\$ 110,000	\$ 15,000	\$ 125,000
01-17-60-6045 Street Lights Repair & Maint.	\$ 34,000	\$ 6,820	\$ 40,820
Total PW Street Lights		\$ 21,820	
Library:			
01-19-10-6044 Operating Supplies	\$ 10,000	\$ 704	\$ 10,704
Total Library Amendments		\$ 704	
Library Grants:			
01-19-23-6044 Operating Supplies	\$ 6,650	\$ 150	\$ 6,800
Total Library Other Grants Amendments		\$ 150	
MTA Events Center:			
01-19-40-6072 Unemployment Taxes	\$ 0	\$ 700	\$ 700
Total MTA Events Center Amendments		\$ 700	
TOTAL GENERAL FUND EXPENDITURE AMENDMENTS		\$ 141,629	
WATER/SEWER FUND (02)			
Revenues:			
02-00-00-3615 Insurance Reimbursement	\$ 0	\$ 25,000	\$ 25,000
02-00-00-3640 Credit Card Fee Revenue	\$ 0	\$ 2,500	\$ 2,500
02-00-00-3690 Misc. Income	\$ 0	\$ 5,500	\$ 5,500
02-00-00-3696 Disconnect Fees	\$ 0	\$ 1,000	\$ 1,000
TOTAL WATER/SEWER REVENUE AMENDMENTS		\$ 34,000	
Expenses:			
02-01-50-6044 Operating Supplies	\$ 15,000	\$ 42,223	\$ 57,223
TOTAL WATER/SEWER EXPENSE AMENDMENTS		\$ 42,223	
AIRPORT FUND (03)			
Revenues:			
03-00-00-3690 Misc. Income	\$ 0	\$ 1,792	\$ 1,792
TOTAL AIRPORT REVENUE AMENDMENTS		\$ 1,792	
Expenses:			
03-01-10-6011 Regular Salaries	\$ 57,951	\$ 8,951	\$ 66,902
03-01-10-6012 Regular Benefits	\$ 44,360	\$ 4,807	\$ 49,167
03-01-10-6045 Repair & Maintenance	\$ 74,500	\$ (54,500)	\$ 20,000
03-01-10-6078 Transfers Out	\$ 0	\$ 54,500	\$ 54,500
03-01-10-7126 Aeronautical Survey Ph 2, MP	\$ 8,592	\$ 462	\$ 9,054
TOTAL AIRPORT EXPENSE AMENDMENTS		\$ 14,220	

Line item description	Current 2016 Budget	Proposed Amendment	Amended 2016 Budget
ROAD FUND (10)			
Expenditures			
10-01-10-6078 Transfers Out	\$ 0	\$ 19,100	\$ 19,100
10-01-03-6301 West Dolphin/Caribou	\$ 23,930	\$ (19,100)	\$ 4,830
TOTAL ROAD FUND EXPENDITURES AMENDMENTS		\$ 0	
AIRPORT CAPITAL PROJECTS FUND (30)			
Revenues			
30-00-00-3673 Transfers from Other funds	\$ 0	\$ 54,500	\$ 54,500
TOTAL AIRPORT CAPITAL PROJECTS REVENUE AMENDMENTS		\$ 54,500	
Expenses			
30-03-10-6045 Randy Thom Flight Ctr Repairs	\$ 0	\$ 54,500	\$ 54,500
TOTAL AIRPORT CAPITAL PROJECTS EXPENSES AMENDMENTS		\$ 54,500	

Passed and approved by the City Council of the City of Palmer, Alaska, this ____ day of July, 2016.

DeLena Johnson, Mayor

Norma I. Alley, MMC, City Clerk

**City of Palmer
Information Memorandum No. 16-027
Ordinance No. 16-015**

Subject: Ordinance No. 16-015: Amending Palmer Municipal Code 17.64.050 Central Business District boundary and amending the Zoning Map to show the expanded boundary as recommended by the Planning and Zoning Commission

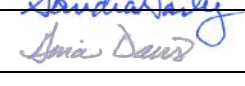
Agenda of: July 12, 2016

Council Action: Introduction: June 28, 2016



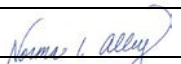
Originator Information:

Originator: Sandra Garley for Planning and Zoning Commission
Date: 5/19/16 **Requested agenda date:** June 28, 2016

Department Information :

Route to:	Department Director:	Signature:	Date:
<u>X</u>	<u>Community Development</u>	<u></u>	<u>6/09/16</u>
<u>X</u>	<u>Finance</u>	<u></u>	<u>6/09/16</u>
_____	<u>Fire Department</u>	_____	_____
_____	<u>Police Department</u>	_____	_____
_____	<u>Public Works</u>	_____	_____

Approved for presentation by:

	Signature:	Remarks:
City Manager	<u></u>	<u>Acting Manager</u>
City Attorney	<u></u>	_____
City Clerk	<u></u>	_____

Certification of Funds:

Total amount of funds listed in this legislation: \$ _____

This legislation (√):


Has no fiscal impact Creates a positive impact in the amount of: \$ _____
 Creates a negative impact in the amount of: \$ _____

Funds are (√):

Budgeted Line item(s): _____
 Not budgeted Affected line item(s): _____

General fund unassigned balance (after requested budget modification): \$ _____

Enterprise unrestricted net position (after requested budget modification): \$ _____

Director of Finance Signature: 

Attachment(s):

- Ordinance No. 16-015
- Planning and Zoning Commission Resolution No. 16-003
- Draft Planning and Zoning Commission Minutes for May 19, 2016
- Planning and Zoning Commission Minutes for:
 - August 21, 2014
 - October 17, 2013
 - April 19, 2012
 - April 21, 2011

Summary Statement: Ordinance No. 16-015 will expand the boundary of the Central Business District to include areas referenced in previously adopted Comprehensive Development Plans and to provide sufficient area for future growth of downtown.

Background: Discussion of expanding the boundary of the Central Business District began in August 2009 at the Planning and Zoning Commission meetings. Since that time, general discussion of the various ways to expand the boundary of the Central Business District has occurred at several meetings. As early as April 21, 2011 there was a lengthy discussion about the need to expand the boundary and approaches to allow for this expansion for the future economic growth within the City.

During the April 19, 2012 Commission meeting, Resolution No. 12-003 reflecting the proposed expanded boundary of the Central Business District was presented for review. No action was taken at this meeting as the Commission members wished to spend more time in reviewing previous comprehensive plan maps and information on the central business district.

On October 17, 2013, the Commission re-visited the topic and draft Resolution No. 12-003; no action was taken at that time. During current ongoing discussions of the development standards for an inner and outer core area of the Central Business District, the topic of the expanded boundary for the Central Business District in Resolution 12-033 re-visited.

Staff was asked to bring the discussion of expanding the Central Business District boundary back to the Commission. On May 19, 2016, the Planning and Zoning Commission voted unanimously to forward a recommendation to the Council to amend the Zoning Map to expand the boundary of the Central Business District in Commission Resolution 16-003.

Administration Recommendation: Accept Commission recommendation.

Commission Information:

Initiated by: Planning and Zoning Commission
Action: Approved
Vote: Unanimously

Council Information:

Introduced by: City Manager Wallace
Introduced: June 28, 2016
Public Hearing: July 12, 2016
Action:
Vote:

Yes:	No:

CITY OF PALMER, ALASKA

ORDINANCE NO. 16-015

An Ordinance of the Palmer City Council Amending Palmer Municipal Code 17.64.050 Central Business District Boundary and Amending the Zoning Map to Show the Expanded Boundary as Recommended by the Planning and Zoning Commission

THE CITY OF PALMER, ALASKA ORDAINS:

Section 1. Classification. This ordinance shall be permanent in nature and shall be incorporated into the Palmer Municipal Code.

Section 2. Severability. If any provision of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 3. The Central Business District boundary as defined in Palmer Municipal Code 17.64.050, Central Business District is hereby expanded as described in Planning and Zoning Commission Resolution No. 16-003.

Section 4. Palmer Municipal Code Chapter 17.64.050 Central Business District is amended as follows: (new language is underlined and deleted language is stricken):

17.64.050 Central business district.

In order to encourage economic growth in the downtown core and permit the redevelopment of property to its highest commercial use, parking requirements may be waived after review by

the city council. It is the intent of this clause to provide as much off-street parking as practical while allowing commercial development in the core area. The central business district is described as follows:

~~Beginning at the intersection of W. Evergreen Avenue and the Glenn Highway, proceed south on the Glenn Highway one block to W. Elmwood Avenue, then east on W. Elmwood Avenue to S. Dimond Street, south on S. Dimond to W. Fern Avenue, east on W. Fern Avenue to S. Cobb Street, south on S. Cobb Street to W. Geranium Avenue, west on W. Geranium Avenue to S. Colony Way, north on S. Colony Way to E. Fireweed Avenue, east on E. Fireweed Ave to S. Gulkana Street, north on S. Gulkana Street to the platted road of E. Cottonwood Ave, west on E. Cottonwood Avenue across the Railroad tracks to S. Cobb Street, west to the Glenn Highway on the north side of tax parcel 2808000T00C-2, and south on the Glenn Highway to the intersection of the W. Evergreen Avenue and the Glenn Highway.~~

Beginning at the intersection of the Palmer/Wasilla Highway and the Glenn Highway centerlines, then north along the centerline of the Glenn Highway to the centerline of W. Auklet Avenue, then east along the centerline of W. Auklet to the east side of parcel 18N02E33 Tract 1-A, then south along the east side of said parcel until the centerline of the alleyway, then east along the centerline of the alleyway to the centerline of N. Bonanza Street, then south along centerline of N. Bonanza Street to the centerline of E. Arctic Avenue, then east along the centerline of E. Arctic Avenue to the centerline of S. Denali Street, then south along the centerline of S. Denali Street to the centerline of E. Cottonwood, then east to the centerline of S. Gulkana Street, then south along the centerline of S. Gulkana to the southeast corner of Tract A, Arbor Estates, then west along the south property line of Tract A to Lot 4, Block 2, Arbor Estates, then south to the southeast corner of Lot 4, Block 2, Arbor Estates, then west along the south property lines of Lots 4, 3, 2, and 1, Block 2, Arbor Estates to the centerline of S. Eklutna Street, then north along the centerline of S. Eklutna Street to the centerline of E. Fireweed Avenue, then west along the centerline of E. Fireweed to the centerline of S. Colony Way, then south along the centerline of S. Colony Way to the junction of S. Colony Way and the Glenn Highway centerlines, then north along the centerline of the Glenn Highway to the point of beginning.

Section 5. The zoning map is hereby amended to show the expanded boundary of the Central Business District.

Section 6. Effective Date. Ordinance 16-015 shall take effect upon adoption by the Palmer City Council.

Passed and approved this _____ day of _____, 2016.

DeLena Johnson, Mayor

Norma I. Alley, MMC, City Clerk

PALMER PLANNING AND ZONING COMMISSION

RESOLUTION NO. 16-003

A RESOLUTION OF THE PALMER PLANNING AND ZONING COMMISSION FOR THE RECONSIDERATION OF RECOMMENDING THE CITY COUNCIL ADOPT AN EXPANDED BOUNDARY OF THE CENTRAL BUSINESS DISTRICT

WHEREAS, the Planning and Zoning Commission considered the Central Business District boundary expansion recommended to City Council in Resolution No. 12-003; and

WHEREAS, the Planning and Zoning Commission has been requested by the City Manager to reconsider the expansion of the Central Business District boundary; and

WHEREAS, the Planning and Zoning Commission continues to recommend the expansion of the Central Business District boundary as described in Resolution No. 12-003;

NOW, THEREFORE, BE IT RESOLVED that the Palmer Planning and Zoning Commission does hereby recommend the City Council approve a revised expansion of the Central Business District described as follows:


Beginning at the intersection of the Palmer/Wasilla Highway and the Glenn Highway centerlines, then north along the centerline of the Glenn Highway to the centerline of W. Auklet Avenue, then east along the centerline of W. Auklet to the east side of parcel 18N02E33 Tract 1-A, then south along the east side of said parcel until the centerline of the alleyway, then east along the centerline of the alleyway to the centerline of N. Bonanza Street, then south along centerline of N. Bonanza Street to the centerline of E. Arctic Avenue, then east along the centerline of E. Arctic Avenue to the centerline of S. Denali Street, then south along the centerline of S. Denali Street to the centerline of E. Cottonwood, then east to the centerline of S. Gulkana Street, then south along the centerline of S. Gulkana to the southeast corner of Tract A, Arbor Estates, then west along the south property line of Tract A to Lot 4, Block 2, Arbor Estates, then south to the southeast corner of Lot 4, Block 2, Arbor Estates, then west along the south property lines of Lots 4, 3, 2, and 1, Block 2, Arbor Estates to the centerline of S. Eklutna Street, then north along the centerline of S. Eklutna Street to the centerline of E. Fireweed Avenue, then west along the centerline of E. Fireweed to the centerline of S. Colony Way, then south along the centerline of S. Colony

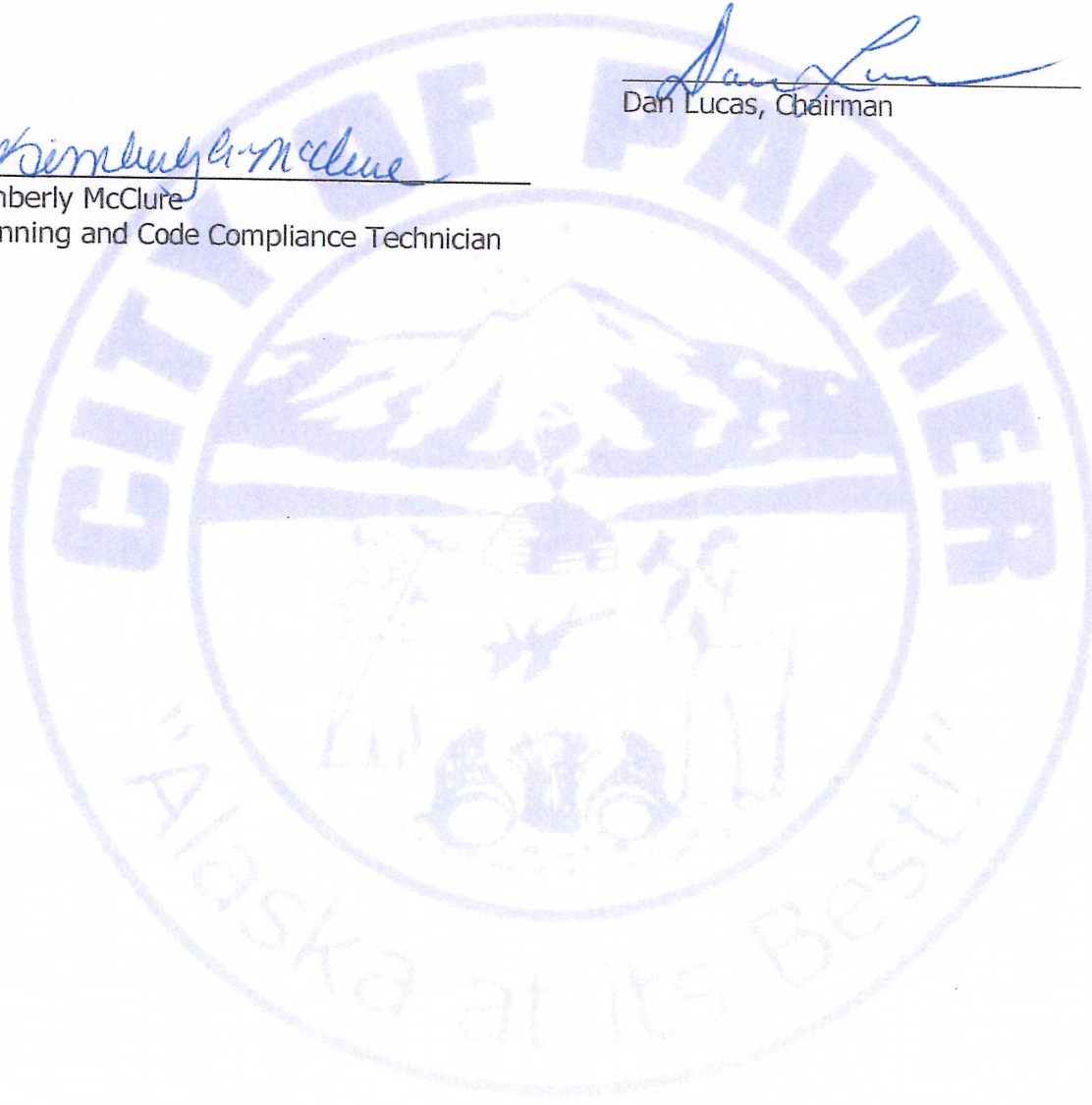
Way to the junction of S. Colony Way and the Glenn Highway centerlines, then north along the centerline of the Glenn Highway to the point of beginning.

BE IT FURTHER RESOLVED, all references in the Palmer Municipal Code to the Downtown Redevelopment Area shall mean the Central Business District.

19th Passed by the Planning and Zoning Commission of the City of Palmer, Alaska, this day of May, 2016.


Dan Lucas, Chairman


Kimberly McClure
Planning and Code Compliance Technician



Discussion on Findings of Fact:

Campbell	Kerslake	Kircher	Madar	Preslar	Weir	
1. The proposed change is in accordance with the borough and city comprehensive plans.						
	Y	Y	Y	A	A	
2. The proposed change is compatible with the surrounding zoning districts and the established land use pattern.						
	Y	Y	Y	A	A	
3. Public facilities such as schools, utilities and streets are adequate to support the proposed change.						
	Y	Y	Y	A	A	
4. Changed conditions affecting the subject parcel or the surrounding neighborhood support the proposed change.						
	Y	Y	Y	A	A	
5. The proposed change is consistent with the public welfare and does not grant a special privilege to the owner(s).						
	Y	Y	Y	A	A	

COMMISSIONER KIRCHER moved, seconded by COMMISSIONER MADAR, to approve all five findings of fact as submitted by staff.

ROLL CALL VOTE ON MOTION [recommending approval of findings]: Carried Unanimously.

H. UNFINISHED BUSINESS:

1. There was no unfinished business for discussion at this meeting.

I. NEW BUSINESS:

1. Discussion of proposed new boundaries for the Central Business District to present as a recommendation to the Palmer City Council.

COMMISSIONER KERSLAKE moved to enter into Committee of the Whole, and was seconded by COMMISSIONER KIRCHER.

The Commission entered into Committee of the Whole at 7:22 p.m.

The Chair opened the discussion for comments from the commissioners.

To start the discussion, Commissioner Madar asked for a staff report.

Mrs. Garley explained that this has been an on-going effort to establish a Central Business District that would encourage the growth of a strong business sector in Palmer. She indicated that she felt this effort would be positively supported by the City Council. City Council established a Board of Economic Development and charged this Board with developing a strategy for future economic development in the City.

The Board of Economic Development recognized that there was a goal in the 2006 Palmer Comprehensive Plan that mandated finding a way to develop more commercial property in the City to allow for this expansion.

She outlined two approaches to achieve this goal. The first was wholesale annexation of property. The second method was to create either a unique Central Business District (CBD) or an overlay for a predetermined area to permit growth. The current code recognizes an area for business and affords some accommodations. The current code does ease some of the base restrictions that may be in place.

To avoid simply playing with the boundary lines we could establish a separate business district. Another approach would be to develop an overlay for the business district. This overlay would not change the zoning designation of an area, if included in the CBD, but would apply the new zoning requirements of the new district. This could ease parking requirements for example. A Central Business District is perhaps cleaner, but both can address the main issues.

Commissioner Kerlake asked for an explanation of where discussion had ended. He recalled that the consensus was for moving ahead to suggest something.

Commissioner Kircher agreed that the boundaries were defined and most wanted to proceed, and he thought an overlay approach with its flexibility of parking seemed to garner support.

Commissioner Madar felt the emphasis was on boundaries, flexibility of parking and encouraging Planned Unit Developments (PUD).

There was a general discussion to establish which boundary of the three offered would be most advantageous. After careful consideration, the map depicted on page 37 of the meeting packet was selected as best representing the group's ideas. This boundary did not cross the Glenn Highway and excluded a few residential houses on the northern portion of the new district.

Commissioner Madar mentioned that he had had conversations with city officials and they seemed to support a new district, not an overlay. Commissioner Madar also felt that it should be a mixed use district, with a limit as to what degree of industry would be allowed.

Commissioner Kircher indicated that if all the districts were to be zoned the same, residential property owners would then be taxed at the higher rate for an Industrial District.

Mrs. Garley suggested an opinion from the Borough Tax Assessor might clarify this issue. This letter would explain the impact on these property owners.

Commissioner Madar mentioned that the University of Washington Study encouraged a mixed use district. People could live and work in the city-center.

Commissioner Kircher expressed a sense of urgency to encourage growth of businesses this summer.

Mrs. Garley suggested first sending the suggested boundary changes forward to City Council, with the additional information that the Planning and Zoning Commission would be working on establishing a Central Business District. A time line would help to win support of City Council in accomplishing this work. Perhaps to suggest to Council that draft language would be ready by September. That way we too, have a deadline.

There were no additional comments.

COMMISSIONER KIRCHER moved to exit from the Committee of the Whole, and was seconded by COMMISSIONER KERSLAKE.

COMMISSIONER KIRCHER moved to prepare a Resolution to be forwarded to the City Council to establish new boundaries for a Central Business District and was seconded by COMMISSIONER KERSLAKE.

The Chair opened the discussion for comments from the commissioners.

There were no further comments.

ROLL CALL VOTE ON MOTION [recommending approval]: Carried Unanimously.

2. Board of Economic Development Report.

Commissioner Madar attended the April 4, 2011, regularly scheduled meeting. He indicated that he still did not receive a packet prior to the meeting. This made it very difficult to prepare for the meeting and do the necessary research for his input on the issues.

The first topic for consideration was a Review of the Economic Strategy for the City of Palmer. Mr. Jesse Jones, from the Chamber of Commerce presented a Tax Survey that had been recently compiled. This survey asked business owner their opinions on taxes on business, business license practices and ways to improve the business climate in Palmer. Commissioner Madar informed the Board that the Planning and Zoning Commission was working on establishing new boundaries for a Central Business District to attract new businesses into Palmer.

The Second topic was a Review of the City Code Regarding Sales Tax and Business License. The Planning and Zoning Commission agreed that this was one area that required additional work. For Temporary businesses there is currently a three tier approach:

**PLANNING & ZONING COMMISSION
CITY OF PALMER, ALASKA
REGULAR MEETING
THURSDAY, MAY 19, 2016
7:00 P.M. - COUNCIL CHAMBERS**

A. CALL TO ORDER:

The regular meeting of the Planning and Zoning Commission was called to order by Chairman Lucas at 7:00 p.m.

B. ROLL CALL:

Present and constituting a quorum were Commissioners:

Dan Lucas, Chairman
David Petty, Vice Chairman
William Kerslake, Sr.
Michael Kircher
Douglas Cruthers
David Fuller

Excused absence(s):

Merry Maxwell

Also present were:

Sandra S. Garley, Community Development Director
Kimberly A. McClure, Planning and Code Compliance Technician
Pam Whitehead, Recording Secretary

C. PLEDGE OF ALLEGIANCE: The Pledge was led by Commissioner Fuller.

D. APPROVAL OF AGENDA:

The agenda was approved as presented.

E. MINUTES OF PREVIOUS MEETING(S):

The minutes of the **March 17, 2016 Regular** Meeting were approved as presented.
The minutes of the **April 14, 2016 Special** Meeting were approved as presented.

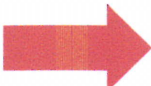
F. PERSONS TO BE HEARD:

There were no persons wishing to speak on a topic not on the agenda.

G. PUBLIC HEARING(S): There were no public hearings.

H. UNFINISHED BUSINESS: There was no Unfinished Business.

I. NEW BUSINESS:

 1. **Resolution No. 16-003:** A Resolution of the Palmer Planning and Zoning Commission for the Reconsideration of Recommending the City Council Adopt an Expanded Boundary of the Central Business District.

Staff Report: Director Garley reminded of past efforts (Resolution 12-003) to expand the CBD, referencing the map (page 29) in the packet showing the proposed expanded boundary. The proposed expansion did not happen in 2012, there has been some growth in the business area as was predicted, and there is now a renewed interest in considering expansion of the CBD boundary. Staff has worked on better clarification of the proposed boundary legal description which is reflected in Resolution 16-003.

Commissioner Kircher moved, seconded by **Commissioner Petty**, for approval of Resolution 16-003 and move it forward to the City Council with a recommendation for adoption.

Commissioners Kircher and Petty spoke in favor of recommending expansion of the CBD as outlined in the resolution. Commissioner Cruthers had reservations about any type of business being able to locate in a residential neighborhood within the proposed boundary. Director Garley fielded questions pointing out that the CBD does not change the underlying zoning; there is some residential, but overall throughout this proposed boundary, the predominant use is Commercial, followed by Public, and some Commercial-Limited; there is some high-density residential, but not much single-family residential. She further outlined the benefits of a CBD, primarily concerning parking.

City Manager Wallace spoke to the extent of how the zoning has changed within the district in the last couple of years, the inequity amongst the lots, and the need to change some of the parking regulations, including businesses being able to utilize alleyways for parking.

Gary Wolf, Architect, business located in downtown Palmer, spoke to the issues surrounding current parking restrictions; he encouraged the Commission to support approval of the proposed expansion.

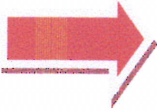
Commissioner Kircher pointed out the CBD is an overlay district designed to allow flexibility in making changes, like the parking conditions, without having to rezone any particular area.

ROLL CALL VOTE ON MOTION [Resolution 16-003]: CARRIED UNANIMOUSLY.
[Kerslake-Yes; Kircher-Yes; Petty-Yes; Lucas-Yes; Cruthers-Yes; Fuller-Yes]

J. PLAT REVIEWS:

1. **IM 16-006:** Applications for an Interim Materials District (IMD) and Administrative Permit have been submitted for the removal of 3,120,000 cubic yards of earth material through 2060 for Tax Parcel D005 in Section 1, Township 17 North, Range 1 East, Seward Meridian, located outside Palmer city limits.

Director Garley provided a staff report. The Commission previously reviewed the original materials extraction application at the Central Landfill, which has been



1. **IM 14-011** Review Expanded Boundary of Central Business District as Described in Resolution No. 12-003.

Ms. Garley updated the Commission as to past lengthy discussions on the CBD expanded boundary at various times since April of 2012, noting that the topic and draft resolution were again re-visited at the Commission meeting of October 17, 2013, however no action was taken. Staff requested the Commission to again consider adopting Resolution 12-003 and move it forward to the City Council with a map. See draft resolution at pages 55-57 of the packet containing a written description of the proposed expanded CBD boundary.

Commissioner Lucas moved, seconded by **Commissioner Kerlake**, to recommend adoption of Resolution 12-003 as written and move forward to the City Council with a map and recommendation for adoption.

Commissioner Lucas voiced approval of the action and Commissioner Kerlake added the Commission has worked on this at length and it's now time to forward it as written for the Council's input and adoption. Further discussion took place as to whether the written outer core boundary description highlighted in yellow in the resolution (packet page 56) corresponds to the map shown on the screen. Ms. Garley stated she and Kimberly will double check to confirm that it matches and send a printed copy of the map to Commissioners tomorrow. Chairman Madar reminded that this has been on the table for two-plus years, including joint meetings with the Council; that this is important for the community and especially for the businesses in Downtown Palmer; personally thinks it does a good job of describing our Central Business District.

VOTE ON MOTION: Carried Unanimously.

2. **Continue Discussion of Central Business District.**

Ms. Garley gave a staff report, informing that staff conducted site visits of several businesses and mixed use structures and took pictures showing the various setbacks from the right-of-way. Included in the packet are example pictures. Questions of staff followed.

Commissioner Lucas moved, seconded by **Commissioner Kerlake** to enter Committee of the Whole to continue open discussion on the CBD. There were no objections.

[The Commission entered Committee of the Whole at 7:50 p.m.; exited at 8:01 p.m.]

While in Committee of the Whole, the Commission further discussed setbacks and mixed use commercial/residential as it would relate to a CBD; questioned staff as to code requirement conflicts between CG and CL. Conditional Use Permits could address/solve some of the issues.

Following discussion, Ms. Garley will prepare draft language for the CBD and forward to Commissioners for review and discussion at the October meeting.

3. **IM 14-022** Continue Discussion of Proposed Kennel Ordinance and Current Zoning Districts.

Ms. Garley updated the Commission from last meeting concerning Mr. Briggs' questions and concerns regarding his neighbor having a kennel. Both he and his neighbor are zoned Commercial General. By way of background, due to annexation, there are properties which operate dog kennels that may be considered as "grandfathered" into the City of Palmer. Currently there is no procedure in the code for the operation of a dog kennel within Palmer city limits besides obtaining a City of Palmer business license. For discussion purposes, in the packet is a proposed ordinance, which would establish a procedure for the licensing and operation of a dog kennel within city limits. Title 17 would need to ensure a dog kennel is appropriately zoned for such use.

Brief discussion ensued. Chairman Madar noted that he thinks that dog kennels in Palmer are appropriate under a Conditional Use Permit.

4. **Resolution No. 14-005:** A Resolution of the Palmer Planning and Zoning Commission Recommending City Council Approve the Establishment of an Appeals Process to an Administrative Decision.

Ms. Garley reported that currently Title 17 lacks a process by which a property owner who disagrees with a decision made by the zoning administrator can appeal that decision. The City has a very clear appeals process from a P & Z decision to a Hearing Officer and then to the Court. Patterned after that process, is draft Resolution 14-005 and proposed Ordinance which establishes a process of appeal from a zoning administrator to the Planning and Zoning Commission. Staff urged the Commission to review, adopt, and move forward to the City Council with a recommendation for adoption.

Commissioner Kerslake moved, seconded by **Commissioner Lucas**, to adopt Resolution No. 14-005 and move forward to City Council with the attached proposed Ordinance recommending adoption.

Commissioner Kerslake, based on staff's recommendation concurs that it is something lacking in our code and it makes sense to clarify the process. Commissioner Lucas agreed. There was no further discussion.

VOTE ON MOTION: Carried Unanimously.

I. NEW BUSINESS:

1. **IM 14-021** Referring Palmer Municipal Code 15.08.3103, Temporary Buildings or Structures to the Planning and Zoning Commission as directed by City Council.

Commissioner Kircher moved, seconded by **Commissioner Prosser** to postpone action on the conditional use permit until after City Council has made a decision on the rezone request on the parcel from R-1 to R-1E.

Vote on Motion: Carried Unanimously.

H. UNFINISHED BUSINESS: There was no unfinished business.

I. NEW BUSINESS:

1. Annual Review of Conditional Use Permits.

Ms. Garley directed attention to the packet, beginning at page 47, listing Active Conditional Use Permits as of October 17, 2013 and the status of each as to compliance.

Commissioner Kircher inquired of staff as to procedure for removal from the active list if the conditions of the permit have been met.

Commissioner Kerlake moved, seconded by **Commissioner Prosser**, to enter into committee of the whole. There were no objections.

[The commission entered committee of the whole at 7:10 p.m.; exited at 7:22 p.m.]

While in committee of the whole the commission reviewed and had questions on several of the CUPs discussing status and compliance.

2. IM 13-027 Review site plan for proposed courthouse expansion for JS Trooper office space and sallyport located on Lot 1A, Deneke Park.

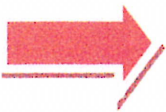
Ms. Garley reported that the courthouse is located in the P-Public District and the proposed expansion will allow additional Judicial Services Trooper office space, additional holding cells and a larger Sallyport. The proposed parking will be sufficient to meet the minimum parking requirements and the lot area and width both exceed the minimum requirements. Staff recommends approval of the proposed courthouse expansion.

Upon review of the submitted documents, the commission had no additional comment or questions.

Commissioner Kerlake moved, seconded by **Commissioner Prosser**, for approval the proposed courthouse expansion.

Vote on Motion: Carried Unanimously.

3. Discussion of Central Business District.



Ms. Garley gave a staff report directing attention to the packet containing information and minutes of previous meetings when discussion of a CBD first began in 2010, including a draft ordinance recommending an expanded boundary. The purpose of discussion tonight is to renew discussions and determine what the commission needs to do differently to encourage more high quality growth in the Central Business District and develop ideas that would engage the city council moving forward, including adding it to the agenda of the next joint meeting in January, 2014.

Commissioner Madar moved, seconded by **Commissioner Prosser**, to enter into Committee of the Whole for open discussion on the matter. There were no objections.

[The commission entered Committee of the Whole at 7:26 p.m.; exited at 8:00 p.m.]

While in committee of the whole, the commission discussed what other communities have done to revive downtown business districts, parking solutions, city/business partnerships, among others, including status of the Mat-Maid properties. Commissioners should think about ideas for the next meeting.

J. PLAT REVIEWS:

1. IM 13-026 To divide Parcel C-2 of MSB Waiver 96-38-PWm into three lots and one tract to be known as Zastrow Acres, also known as Tax Parcel D20 in Section 17, Township 18 North, Range 2 East, Seward Meridian, located outside Palmer city limits.

Ms. Garley gave a staff report. The request is to divide the parcel into three lots and one tract, to be known as Zastrow Acres, containing 10.57 acres more or less. The Alaska Department of Transportation claims prescriptive rights for the Farm Loop right-of-way extending to the back of the existing ditch, which is shown on the plat. See vicinity map on page 144 of the packet. City staff had no recommended changes.

Following review, the commission had no additional comments.

K. PUBLIC COMMENTS: There were no public comments.

L. STAFF REPORT: Ms. Garley reported:

- Status of Mat-maid (reported during CBD discussion);
- Status of Pioneer Square on the market for sale; DOT is moving forward with upgrades on Dogwood to Felton which should be appealing to potential buyers.

M. COMMISSIONER COMMENTS:

Commissioner Lucas had no comment.

Commissioner Kircher:

- Reiterated his previous complaints about the voluminous amount of paper in the monthly packets plus the costs of mailing; noted preference for the "paperless

17.72.100 (B) by inserting "one of the following" to the last sentence. The motion was seconded by **Commissioner Kircher**.

VOTE ON MOTION: the amendment passed unanimously.

ROLL CALL VOTE ON MAIN MOTION:

Campbell	Kerslake	Kircher	Madar	Prosser	Weir	Vacant
Y	Y	Y	Y	Y	Y	--

VOTE ON MOTION: the motion passed unanimously.

H. NEW BUSINESS:



1. Discussion of boundaries of the Central Business District.

Chairman Madar asked for a staff report.

Ms. Garley provided a staff report as to status.

Commissioner Kerslake moved, seconded by **Commissioner Kircher**, to suspend the rules temporarily to allow an audience member to speak to the issue. There were no objections.

Kevin Brown, former Commissioner and member of the Palmer Economic Development Authority (PEDA), commented on the need for infill and an increased opportunity for new small businesses to find a home in downtown. He suggested that any discussion on boundaries should also include adoption of design standards including lighting and landscaping.

Teresa Roy, chairman of the Palmer Economic Development Authority (PEDA), commented that the Commission consider reviewing the sign code within the central business district boundaries as well as incentives to beautify the community.

Commissioner Weir moved, seconded by **Commissioner Kerslake** to re-establish formal rules. There were no objections.

Commissioner Kerslake moved, seconded by **Commissioner Kircher**, to enter the Committee of the Whole. There were no objections.

The Commission entered into the Committee of the Whole at 7:15 pm.

Chairman Madar spoke about his desire to tackle the central business district as a zoning district. By creating a new district with commercial and residential uses, we could create the downtown that we all want. It might be a new zoning district or an overlay zone for the downtown area.

The current boundary is too small and it only impacts, to a minor degree the number of parking spaces a business must provide in the downtown area. It is not flexible and has not really created an incentive for infilling.

A general discussion followed of how to encourage a cohesive look to new construction in the downtown area in order to keep the "Palmer feel" as the community continues to grow. In addition to landscaping and permitted uses, setbacks and building height were discussed.

Commissioner Weir moved, seconded by **Commissioner Kircher**, to exit Committee of the Whole at 8:15 pm. There were no objections.

Chairman Madar directed staff to research other community overlay zones and/or zoning districts for their central business districts and return with a report to the Commission on her recommendations.

I. UNFINISHED BUSINESS:

1. Discussion of City Council Goals for Community Development.

Chairman Madar asked for a staff report.

Ms. Garley explained the process the Council had used to come up with their goals and objectives and the desire of Council to have the Commission review and comment on the items with the Council's highest priority. She directed Commission's attention to the items on page 16 of the packet.

Commissioner Kircher made the motion, seconded by **Commissioner Prosser** to enter into the Committee of the Whole.

The Commission entered into the Committee of the Whole at 8:18 pm.

While in committee of the whole, the Commission continued review of the goals and objectives relating to the Council's Objective of increasing outdoor use of the MTA Events Center complex which included sending flyers listing Event Center activities out to Palmer schools, using the City's Robo calling system to highlight the Events Center once a quarter, and getting posters up at local stores.

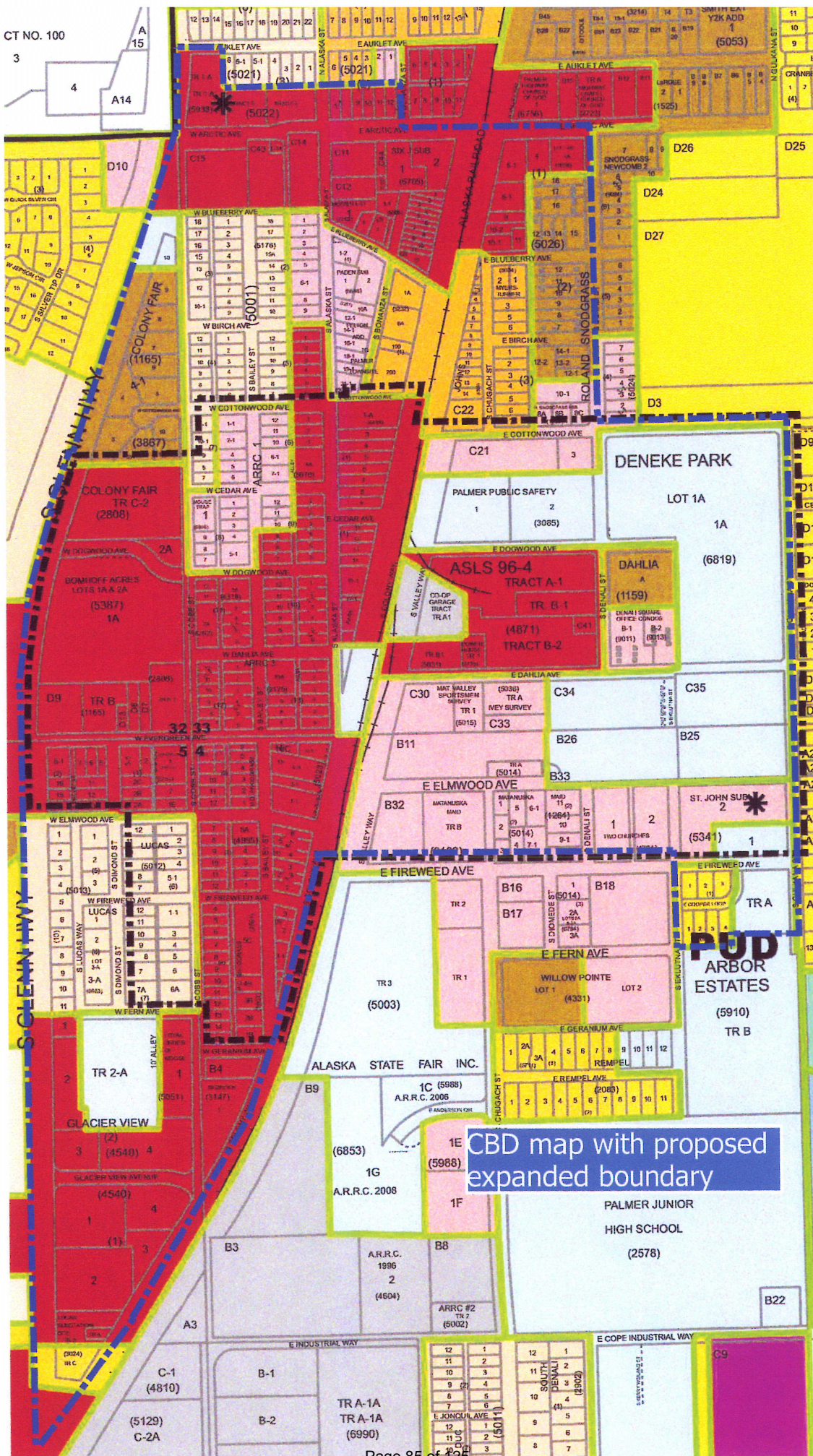
Discussion regarding the Council Action Plan for using the paved parking area for basketball to provide teens with active play area which highlighted the need to provide lights in the parking area for safety.

Other items of discussion included using a message board to advertize community events. Placing a digital message board on the Glenn Highway by the gas station or by the electric substation was suggested.

Commissioner Kerlake moved, seconded by **Commissioner Weir**, to exit the

CT NO. 100

3



CBD map with proposed expanded boundary

Legend

 City of Palmer Boundary

 Central Business District


Zoning Exceptions


* Special Limitations


PUD Planned Unit Development


Zoning Descriptions


 A-C - Airport Commercial


 A-I - Airport Industrial


 A-M - Airport Mixed Use

 AGR - Agricultural


 BP - Business Park


 CG - Commercial General


 CL - Commercial Limited

 F - Fairgrounds

 I - Industrial


 P - Public

 R-1 - Single-family Residential

 R-1E - Single-family Residential Estate

 R-2 - Low Density Residential

 R-3 - Medium Density Residential

 R-4 - High Density Residential

new business



City of Palmer
Information Memorandum No. 16-032
Resolution No. 16-019

Subject: A Resolution of the Palmer City Council Supplementing Resolution No. 16-012, Authorizing the City Manager to Accept and Appropriate Additional Funding, in the Amount of \$11,400.00, from the Federal Aviation Administration (FAA) Airport Improvement Program Grant No. 3-02-0211-020-2016, and to Provide for the Development of an Obstacle Action Plan

Agenda of: July 12, 2016

Council Action: _____

Originator Information:


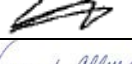
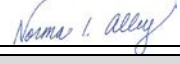
Originator: Airport Superintendent Frank Kelly

Date: _____ **Requested agenda date:** _____

Department Information √:

Route to:	Department Director:	Signature:	Date:
_____	Community Development	_____	_____
X	Finance		6/30/16
_____	Fire Department	_____	_____
_____	Police Department	_____	_____
_____	Public Works	_____	_____

Approved for presentation by:

	Signature:	Remarks:
City Manager		_____
City Attorney		_____
City Clerk		_____

Certification of Funds:

Total amount of funds listed in this legislation: \$ 12,300

This legislation (√):


- Has no fiscal impact Creates a positive impact in the amount of: \$ _____
- Creates a negative impact in the amount of: \$ _____

Funds are (√):

- Budgeted Line item(s): 30-00-00-3378 - \$11,400; 30-03-10-7127 - \$11,400
- Not budgeted Affected line item(s): 03-01-10-6030 - \$900

General fund unassigned balance (after requested budget modification): \$ _____

Enterprise unrestricted net position (after requested budget modification): \$ _____

Director of Finance Signature: 

Attachment(s):

- Resolution No. 16-019
- Adopted IM 16-016 and Resolution No. 16-012
- FAA Grant Offer and Agreement 03-02-0211-2016

Summary Statement: On March 8, 2016, the City Council approved Resolution No. 16-012 accepting a \$49,300.00 grant from the FAA to help fund the development of the Airport Master Plan. The City of Palmer contributed \$3,100.00 additional funding to go toward this project.

The FAA is now offering an additional grant funding in the amount of \$11,400.00 bringing the total grant funding to \$60,700.00. Total project cost is \$64,700, requiring the City of Palmer to contribute an additional \$900.00 from Contractual Services line item of the Airport Fund. Staff is asking Council to authorize the City Manager to accept and appropriate the additional funding.

Administration Recommendation: Adopt Resolution No. 16-019.

Introduced by: City Manager Nate Wallace

Date: July 12, 2016

Action:

Vote:

Yes:

No:

CITY OF PALMER, ALASKA

RESOLUTION NO. 16-019

A Resolution of the Palmer City Council Supplementing Resolution No. 16-012, Authorizing the City Manager to Accept and Appropriate Additional Funding, in the Amount of \$11,400.00, from the Federal Aviation Administration (FAA) Airport Improvement Program Grant No. 3-02-0211-020-2016, and to Provide for the Development of an Obstacle Action Plan

WHEREAS, the City of Palmer maintains and operates the Warren "Bud" Woods Palmer Municipal Airport; and

WHEREAS, an Airport Master Plan is currently being developed for the Palmer Municipal Airport; and

WHEREAS, the City has a need for an Obstacle Action Plan to be added to the Airport Master Plan as a priority with the FAA; and

WHEREAS, on March 8, 2016, the City of Palmer City Council approved Resolution No. 16-012 accepting and appropriating \$49,300.00 of FAA grant funding with a contribution of \$3,100.00 of City funds which remains in effect and is hereby reaffirmed by the Council; and

WHEREAS, the City of Palmer has been offered additional FAA grant funds in the amount of \$11,400.00 with an additional required \$900.00 contribution from the City of Palmer Airport Fund; and

WHEREAS, the City of Palmer needs to accept and appropriate the additional revenue and expenditures.

NOW THEREFORE, BE IT RESOLVED, by the City of Palmer City Council:

Section 1. Authorizing the City Manager to accept and appropriate additional funding from the Airport CIP, in the amount of \$11,400, from the Federal Aviation Administration (FAA) Airport Improvement Program Grant No. 3-02-0211-020-2016 and to provide development of an Obstacle Action Plan.

Section 2. Authorizing the appropriation of \$900.00 from the Airport Fund.

Section 3. Resolution No. 16-012 remains in effect and is hereby reaffirmed by the council.

Passed and approved by the City Council of the City of Palmer, Alaska this 12th day of July, 2016.

DeLena Johnson, Mayor

Norma I. Alley, MMC, City Clerk

**City of Palmer
Information Memorandum No. 16-016
Resolution No. 16-012**

Subject: Resolution No. 16-012: Accepting and Appropriating Grant Offer from the Federal Aviation Administration (FAA) in an Amount up to \$46,300 to Perform Phase III of the Master Plan Exhibit A at the Palmer Municipal Airport

Agenda of: March 8, 2016

Council Action: Adopted

Originator Information:

Originator: Airport Superintendent Jeff Combs

Date: _____ **Requested agenda date:** March 8, 2016

Department Information:

Route to:	Department Director:	Signature:	Date:
_____	Community Development	_____	_____
<u>X</u>	Finance	<u><i>E. Greene</i></u>	<u>2/19/16</u>
_____	Public Safety	_____	_____
_____	Public Works	_____	_____

Approved for presentation by:

	Signature:	Remarks:
City Manager	<u><i>[Signature]</i></u>	_____
City Attorney	<u><i>[Signature]</i></u>	_____
City Clerk	<u><i>[Signature]</i></u>	_____

Certification of Funds:

Total amount of funds listed in this legislation: \$ 49,400

This legislation (√):

Has no fiscal impact Creates a positive impact in the amount of: \$ _____
 Negative impact in the amount of: \$ _____

Funds are (√):

Budgeted Line item(s): 30-00-00-3378 - \$46,300; 30-03-10-7127 - \$46,300
 Not budgeted Affected line item(s): 03-01-10-6030 - \$3,100

General fund assigned balance (after requested budget modification): \$ _____

Enterprise unrestricted net position (after requested budget modification): \$ _____

Director of Finance Signature: *E. Greene*

Attachment(s):

- Resolution 16-012
- Airport Sponsor Assurances
- Grant Application

Summary statement: The administration has filed an application with the Federal Aviation Administration (FAA) for a change order to the Airport Master Plan adding Phase III (Exhibit A) a property ownership and chain of title document. The change order cost is \$49,400. Under this grant, the FAA would pay 93.75% of total project costs. The remainder of the costs \$3,100 would be paid by the City of Palmer.

This work involves archive research and compilation of land records necessary for the Exhibit "A" (Airport Property Plan). The airport title document does not exist and needs to be constructed from the City's historical land records. The airport property consists of approximately 60 parcels of land, 30 utility and right-of-way easements, and 10 aviation easements that have been purchased or taken by condemnation since the original airport property was acquired in 1950.

(FAA) requires that a property map is included in an Airport Layout Plan when grant funds have been used in the acquisition of some or all of the airport property.

Administration recommendation: Adopt Resolution No. 16-012.

Introduced by: City Manager Wallace
Date: March 8, 2016
Action: Adopted
Vote: Unanimous

Yes:	No:
Best	
LaFrance	
Carrington	
Combs	
DeVries	
Hanson	
Johnson	

CITY OF PALMER, ALASKA

Resolution No. 16-012

A Resolution of the Palmer City Council Accepting and Appropriating Grant Offer from the Federal Aviation Administration (FAA) in an Amount up to \$46,300 to Perform Phase III of the Master Plan Exhibit A at the Palmer Municipal Airport

WHEREAS, the City of Palmer maintains and operates the Warren "Bud" Woods Palmer Municipal Airport; and

WHEREAS, a Master Plan is currently being conducted at the Palmer Municipal Airport; and

WHEREAS, the need for an Exhibit A be added to the Master Plan as Phase III is a priority with the FAA; and

WHEREAS, the City of Palmer anticipates approval of FAA grant funds of up to \$46,300 for the federal portion of Exhibit A to the Master Plan: and

WHEREAS, the Airport Sponsor Assurances have been reviewed by the City of Palmer.

NOW THEREFORE, BE IT RESOLVED, by the Palmer City Council to accept and appropriate a Grant Offer from the Federal Aviation Administration (FAA) in an Amount up to \$46,300 to Perform Phase III of the Master Plan, an Exhibit A at the Palmer Municipal Airport and to authorize the City Manager to execute the grant when offered.

Passed and approved by the City Council of the City of Palmer, Alaska this _____ of ____2016.

DeLena Goodwin Johnson, Mayor

Janette M. Bower, MMC, City Clerk



ASSURANCES

Airport Sponsors

A. General.

1. These assurances shall be complied with in the performance of grant agreements for airport development, airport planning, and noise compatibility program grants for airport sponsors.
2. These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of Title 49, U.S.C., subtitle VII, as amended. As used herein, the term "public agency sponsor" means a public agency with control of a public-use airport; the term "private sponsor" means a private owner of a public-use airport; and the term "sponsor" includes both public agency sponsors and private sponsors.
3. Upon acceptance of this grant offer by the sponsor, these assurances are incorporated in and become part of this grant agreement.

B. Duration and Applicability.

1. **Airport development or Noise Compatibility Program Projects Undertaken by a Public Agency Sponsor.**

The terms, conditions and assurances of this grant agreement shall remain in full force and effect throughout the useful life of the facilities developed or equipment acquired for an airport development or noise compatibility program project, or throughout the useful life of the project items installed within a facility under a noise compatibility program project, but in any event not to exceed twenty (20) years from the date of acceptance of a grant offer of Federal funds for the project. However, there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport. There shall be no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with federal funds. Furthermore, the duration of the Civil Rights assurance shall be specified in the assurances.

2. **Airport Development or Noise Compatibility Projects Undertaken by a Private Sponsor.**

The preceding paragraph 1 also applies to a private sponsor except that the useful life of project items installed within a facility or the useful life of the facilities developed or equipment acquired under an airport development or noise compatibility program project shall be no less than ten (10) years from the date of acceptance of Federal aid for the project.

3. Airport Planning Undertaken by a Sponsor.

Unless otherwise specified in this grant agreement, only Assurances 1, 2, 3, 5, 6, 13, 18, 25, 30, 32, 33, and 34 in Section C apply to planning projects. The terms, conditions, and assurances of this grant agreement shall remain in full force and effect during the life of the project; there shall be no limit on the duration of the assurances regarding Airport Revenue so long as the airport is used as an airport.

C. Sponsor Certification.

The sponsor hereby assures and certifies, with respect to this grant that:

1. General Federal Requirements.

It will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance and use of Federal funds for this project including but not limited to the following:

Federal Legislation

- a. Title 49, U.S.C., subtitle VII, as amended.
- b. Davis-Bacon Act - 40 U.S.C. 276(a), et seq.¹
- c. Federal Fair Labor Standards Act - 29 U.S.C. 201, et seq.
- d. Hatch Act – 5 U.S.C. 1501, et seq.²
- e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 Title 42 U.S.C. 4601, et seq.^{1 2}
- f. National Historic Preservation Act of 1966 - Section 106 - 16 U.S.C. 470(f).¹
- g. Archeological and Historic Preservation Act of 1974 - 16 U.S.C. 469 through 469c.¹
- h. Native Americans Grave Repatriation Act - 25 U.S.C. Section 3001, et seq.
- i. Clean Air Act, P.L. 90-148, as amended.
- j. Coastal Zone Management Act, P.L. 93-205, as amended.
- k. Flood Disaster Protection Act of 1973 - Section 102(a) - 42 U.S.C. 4012a.¹
- l. Title 49, U.S.C., Section 303, (formerly known as Section 4(f))
- m. Rehabilitation Act of 1973 - 29 U.S.C. 794.
- n. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- o. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.), prohibits discrimination on the basis of disability).
- p. Age Discrimination Act of 1975 - 42 U.S.C. 6101, et seq.
- q. American Indian Religious Freedom Act, P.L. 95-341, as amended.
- r. Architectural Barriers Act of 1968 -42 U.S.C. 4151, et seq.¹
- s. Power plant and Industrial Fuel Use Act of 1978 - Section 403- 2 U.S.C. 8373.¹
- t. Contract Work Hours and Safety Standards Act - 40 U.S.C. 327, et seq.¹
- u. Copeland Anti-kickback Act - 18 U.S.C. 874.1
- v. National Environmental Policy Act of 1969 - 42 U.S.C. 4321, et seq.¹
- w. Wild and Scenic Rivers Act, P.L. 90-542, as amended.
- x. Single Audit Act of 1984 - 31 U.S.C. 7501, et seq.²
- y. Drug-Free Workplace Act of 1988 - 41 U.S.C. 702 through 706.

- z. The Federal Funding Accountability and Transparency Act of 2006, as amended (Pub. L. 109-282, as amended by section 6202 of Pub. L. 110-252).

Executive Orders

- a. Executive Order 11246 - Equal Employment Opportunity¹
- b. Executive Order 11990 - Protection of Wetlands
- c. Executive Order 11998 – Flood Plain Management
- d. Executive Order 12372 - Intergovernmental Review of Federal Programs
- e. Executive Order 12699 - Seismic Safety of Federal and Federally Assisted New Building Construction¹
- f. Executive Order 12898 - Environmental Justice

Federal Regulations

- a. 2 CFR Part 180 - OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement).
- b. 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. [OMB Circular A-87 Cost Principles Applicable to Grants and Contracts with State and Local Governments, and OMB Circular A-133 - Audits of States, Local Governments, and Non-Profit Organizations].^{4, 5, 6}
- c. 2 CFR Part 1200 – Nonprocurement Suspension and Debarment
- d. 14 CFR Part 13 - Investigative and Enforcement Procedures 14 CFR Part 16 - Rules of Practice For Federally Assisted Airport Enforcement Proceedings.
- e. 14 CFR Part 150 - Airport noise compatibility planning.
- f. 28 CFR Part 35- Discrimination on the Basis of Disability in State and Local Government Services.
- g. 28 CFR § 50.3 - U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964.
- h. 29 CFR Part 1 - Procedures for predetermination of wage rates.¹
- i. 29 CFR Part 3 - Contractors and subcontractors on public building or public work financed in whole or part by loans or grants from the United States.¹
- j. 29 CFR Part 5 - Labor standards provisions applicable to contracts covering federally financed and assisted construction (also labor standards provisions applicable to non-construction contracts subject to the Contract Work Hours and Safety Standards Act).¹
- k. 41 CFR Part 60 - Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and federally assisted contracting requirements).¹
- l. 49 CFR Part 18 - Uniform administrative requirements for grants and cooperative agreements to state and local governments.³
- m. 49 CFR Part 20 - New restrictions on lobbying.
- n. 49 CFR Part 21 – Nondiscrimination in federally-assisted programs of the Department of Transportation - effectuation of Title VI of the Civil Rights Act of 1964.
- o. 49 CFR Part 23 - Participation by Disadvantage Business Enterprise in Airport Concessions.

- p. 49 CFR Part 24 – Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally Assisted Programs.^{1 2}
- q. 49 CFR Part 26 – Participation by Disadvantaged Business Enterprises in Department of Transportation Programs.
- r. 49 CFR Part 27 – Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance.¹
- s. 49 CFR Part 28 – Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities conducted by the Department of Transportation.
- t. 49 CFR Part 30 - Denial of public works contracts to suppliers of goods and services of countries that deny procurement market access to U.S. contractors.
- u. 49 CFR Part 32 – Governmentwide Requirements for Drug-Free Workplace (Financial Assistance)
- v. 49 CFR Part 37 – Transportation Services for Individuals with Disabilities (ADA).
- w. 49 CFR Part 41 - Seismic safety of Federal and federally assisted or regulated new building construction.

Specific Assurances

Specific assurances required to be included in grant agreements by any of the above laws, regulations or circulars are incorporated by reference in this grant agreement.

Footnotes to Assurance C.1.

- ¹ These laws do not apply to airport planning sponsors.
- ² These laws do not apply to private sponsors.
- ³ 49 CFR Part 18 and 2 CFR Part 200 contain requirements for State and Local Governments receiving Federal assistance. Any requirement levied upon State and Local Governments by this regulation and circular shall also be applicable to private sponsors receiving Federal assistance under Title 49, United States Code.
- ⁴ On December 26, 2013 at 78 FR 78590, the Office of Management and Budget (OMB) issued the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR Part 200. 2 CFR Part 200 replaces and combines the former Uniform Administrative Requirements for Grants (OMB Circular A-102 and Circular A-110 or 2 CFR Part 215 or Circular) as well as the Cost Principles (Circulars A-21 or 2 CFR part 220; Circular A-87 or 2 CFR part 225; and A-122, 2 CFR part 230). Additionally it replaces Circular A-133 guidance on the Single Annual Audit. In accordance with 2 CFR section 200.110, the standards set forth in Part 200 which affect administration of Federal awards issued by Federal agencies become effective once implemented by Federal agencies or when any future amendment to this Part becomes final. Federal agencies, including the Department of Transportation, must implement the policies and procedures applicable to Federal awards by promulgating a regulation to be effective by December 26, 2014 unless different provisions are required by statute or approved by OMB.

⁵ Cost principles established in 2 CFR part 200 subpart E must be used as guidelines for determining the eligibility of specific types of expenses.

⁶ Audit requirements established in 2 CFR part 200 subpart F are the guidelines for audits.

2. Responsibility and Authority of the Sponsor.

a. Public Agency Sponsor:

It has legal authority to apply for this grant, and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

b. Private Sponsor:

It has legal authority to apply for this grant and to finance and carry out the proposed project and comply with all terms, conditions, and assurances of this grant agreement. It shall designate an official representative and shall in writing direct and authorize that person to file this application, including all understandings and assurances contained therein; to act in connection with this application; and to provide such additional information as may be required.

3. Sponsor Fund Availability.

It has sufficient funds available for that portion of the project costs which are not to be paid by the United States. It has sufficient funds available to assure operation and maintenance of items funded under this grant agreement which it will own or control.

4. Good Title.

- a. It, a public agency or the Federal government, holds good title, satisfactory to the Secretary, to the landing area of the airport or site thereof, or will give assurance satisfactory to the Secretary that good title will be acquired.
- b. For noise compatibility program projects to be carried out on the property of the sponsor, it holds good title satisfactory to the Secretary to that portion of the property upon which Federal funds will be expended or will give assurance to the Secretary that good title will be obtained.

5. Preserving Rights and Powers.

- a. It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in this grant agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish or modify any outstanding rights or claims of right of others which would interfere with such performance by the sponsor. This shall be done in a manner acceptable to the Secretary.

- b. It will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the property shown on Exhibit A to this application or, for a noise compatibility program project, that portion of the property upon which Federal funds have been expended, for the duration of the terms, conditions, and assurances in this grant agreement without approval by the Secretary. If the transferee is found by the Secretary to be eligible under Title 49, United States Code, to assume the obligations of this grant agreement and to have the power, authority, and financial resources to carry out all such obligations, the sponsor shall insert in the contract or document transferring or disposing of the sponsor's interest, and make binding upon the transferee all of the terms, conditions, and assurances contained in this grant agreement.
- c. For all noise compatibility program projects which are to be carried out by another unit of local government or are on property owned by a unit of local government other than the sponsor, it will enter into an agreement with that government. Except as otherwise specified by the Secretary, that agreement shall obligate that government to the same terms, conditions, and assurances that would be applicable to it if it applied directly to the FAA for a grant to undertake the noise compatibility program project. That agreement and changes thereto must be satisfactory to the Secretary. It will take steps to enforce this agreement against the local government if there is substantial non-compliance with the terms of the agreement.
- d. For noise compatibility program projects to be carried out on privately owned property, it will enter into an agreement with the owner of that property which includes provisions specified by the Secretary. It will take steps to enforce this agreement against the property owner whenever there is substantial non-compliance with the terms of the agreement.
- e. If the sponsor is a private sponsor, it will take steps satisfactory to the Secretary to ensure that the airport will continue to function as a public-use airport in accordance with these assurances for the duration of these assurances.
- f. If an arrangement is made for management and operation of the airport by any agency or person other than the sponsor or an employee of the sponsor, the sponsor will reserve sufficient rights and authority to insure that the airport will be operated and maintained in accordance Title 49, United States Code, the regulations and the terms, conditions and assurances in this grant agreement and shall insure that such arrangement also requires compliance therewith.
- g. Sponsors of commercial service airports will not permit or enter into any arrangement that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport. Sponsors of general aviation airports entering into any arrangement that results in permission for the owner of residential real property adjacent to or near the airport must comply with the requirements of Sec. 136 of Public Law 112-95 and the sponsor assurances.

6. Consistency with Local Plans.

The project is reasonably consistent with plans (existing at the time of submission of this application) of public agencies that are authorized by the State in which the project is located to plan for the development of the area surrounding the airport.

7. Consideration of Local Interest.

It has given fair consideration to the interest of communities in or near where the project may be located.

8. Consultation with Users.

In making a decision to undertake any airport development project under Title 49, United States Code, it has undertaken reasonable consultations with affected parties using the airport at which project is proposed.

9. Public Hearings.

In projects involving the location of an airport, an airport runway, or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.

10. Metropolitan Planning Organization.

In projects involving the location of an airport, an airport runway, or a major runway extension at a medium or large hub airport, the sponsor has made available to and has provided upon request to the metropolitan planning organization in the area in which the airport is located, if any, a copy of the proposed amendment to the airport layout plan to depict the project and a copy of any airport master plan in which the project is described or depicted.

11. Pavement Preventive Maintenance.

With respect to a project approved after January 1, 1995, for the replacement or reconstruction of pavement at the airport, it assures or certifies that it has implemented an effective airport pavement maintenance-management program and it assures that it will use such program for the useful life of any pavement constructed, reconstructed or repaired with Federal financial assistance at the airport. It will provide such reports on pavement condition and pavement management programs as the Secretary determines may be useful.

12. Terminal Development Prerequisites.

For projects which include terminal development at a public use airport, as defined in Title 49, it has, on the date of submittal of the project grant application, all the safety equipment required for certification of such airport under section 44706 of Title 49, United States Code, and all the security equipment required by rule or regulation, and

has provided for access to the passenger enplaning and deplaning area of such airport to passengers enplaning and deplaning from aircraft other than air carrier aircraft.

13. Accounting System, Audit, and Record Keeping Requirements.

- a. It shall keep all project accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of this grant, the total cost of the project in connection with which this grant is given or used, and the amount or nature of that portion of the cost of the project supplied by other sources, and such other financial records pertinent to the project. The accounts and records shall be kept in accordance with an accounting system that will facilitate an effective audit in accordance with the Single Audit Act of 1984.
- b. It shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination, any books, documents, papers, and records of the recipient that are pertinent to this grant. The Secretary may require that an appropriate audit be conducted by a recipient. In any case in which an independent audit is made of the accounts of a sponsor relating to the disposition of the proceeds of a grant or relating to the project in connection with which this grant was given or used, it shall file a certified copy of such audit with the Comptroller General of the United States not later than six (6) months following the close of the fiscal year for which the audit was made.

14. Minimum Wage Rates.

It shall include, in all contracts in excess of \$2,000 for work on any projects funded under this grant agreement which involve labor, provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor, in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5), which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

15. Veteran's Preference.

It shall include in all contracts for work on any project funded under this grant agreement which involve labor, such provisions as are necessary to insure that, in the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to Vietnam era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns owned and controlled by disabled veterans as defined in Section 47112 of Title 49, United States Code. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

16. Conformity to Plans and Specifications.

It will execute the project subject to plans, specifications, and schedules approved by the Secretary. Such plans, specifications, and schedules shall be submitted to the Secretary prior to commencement of site preparation, construction, or other performance under this grant agreement, and, upon approval of the Secretary, shall be incorporated into this grant agreement. Any modification to the approved plans,

specifications, and schedules shall also be subject to approval of the Secretary, and incorporated into this grant agreement.

17. Construction Inspection and Approval.

It will provide and maintain competent technical supervision at the construction site throughout the project to assure that the work conforms to the plans, specifications, and schedules approved by the Secretary for the project. It shall subject the construction work on any project contained in an approved project application to inspection and approval by the Secretary and such work shall be in accordance with regulations and procedures prescribed by the Secretary. Such regulations and procedures shall require such cost and progress reporting by the sponsor or sponsors of such project as the Secretary shall deem necessary.

18. Planning Projects.

In carrying out planning projects:

- a. It will execute the project in accordance with the approved program narrative contained in the project application or with the modifications similarly approved.
- b. It will furnish the Secretary with such periodic reports as required pertaining to the planning project and planning work activities.
- c. It will include in all published material prepared in connection with the planning project a notice that the material was prepared under a grant provided by the United States.
- d. It will make such material available for examination by the public, and agrees that no material prepared with funds under this project shall be subject to copyright in the United States or any other country.
- e. It will give the Secretary unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this grant.
- f. It will grant the Secretary the right to disapprove the sponsor's employment of specific consultants and their subcontractors to do all or any part of this project as well as the right to disapprove the proposed scope and cost of professional services.
- g. It will grant the Secretary the right to disapprove the use of the sponsor's employees to do all or any part of the project.
- h. It understands and agrees that the Secretary's approval of this project grant or the Secretary's approval of any planning material developed as part of this grant does not constitute or imply any assurance or commitment on the part of the Secretary to approve any pending or future application for a Federal airport grant.

19. Operation and Maintenance.

- a. The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal,

state and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon which would interfere with its use for airport purposes. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Secretary. In furtherance of this assurance, the sponsor will have in effect arrangements for-

- 1) Operating the airport's aeronautical facilities whenever required;
 - 2) Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions; and
 - 3) Promptly notifying airmen of any condition affecting aeronautical use of the airport. Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when snow, flood or other climatic conditions interfere with such operation and maintenance. Further, nothing herein shall be construed as requiring the maintenance, repair, restoration, or replacement of any structure or facility which is substantially damaged or destroyed due to an act of God or other condition or circumstance beyond the control of the sponsor.
- b. It will suitably operate and maintain noise compatibility program items that it owns or controls upon which Federal funds have been expended.

20. Hazard Removal and Mitigation.

It will take appropriate action to assure that such terminal airspace as is required to protect instrument and visual operations to the airport (including established minimum flight altitudes) will be adequately cleared and protected by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards.

21. Compatible Land Use.

It will take appropriate action, to the extent reasonable, including the adoption of zoning laws, to restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and takeoff of aircraft. In addition, if the project is for noise compatibility program implementation, it will not cause or permit any change in land use, within its jurisdiction, that will reduce its compatibility, with respect to the airport, of the noise compatibility program measures upon which Federal funds have been expended.

22. Economic Nondiscrimination.

- a. It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.
- b. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or

to engage in any aeronautical activity for furnishing services to the public at the airport, the sponsor will insert and enforce provisions requiring the contractor to-

- 1) furnish said services on a reasonable, and not unjustly discriminatory, basis to all users thereof, and
 - 2) charge reasonable, and not unjustly discriminatory, prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.
- c. Each fixed-based operator at the airport shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other fixed-based operators making the same or similar uses of such airport and utilizing the same or similar facilities.
 - d. Each air carrier using such airport shall have the right to service itself or to use any fixed-based operator that is authorized or permitted by the airport to serve any air carrier at such airport.
 - e. Each air carrier using such airport (whether as a tenant, non-tenant, or subtenant of another air carrier tenant) shall be subject to such nondiscriminatory and substantially comparable rules, regulations, conditions, rates, fees, rentals, and other charges with respect to facilities directly and substantially related to providing air transportation as are applicable to all such air carriers which make similar use of such airport and utilize similar facilities, subject to reasonable classifications such as tenants or non-tenants and signatory carriers and non-signatory carriers. Classification or status as tenant or signatory shall not be unreasonably withheld by any airport provided an air carrier assumes obligations substantially similar to those already imposed on air carriers in such classification or status.
 - f. It will not exercise or grant any right or privilege which operates to prevent any person, firm, or corporation operating aircraft on the airport from performing any services on its own aircraft with its own employees [including, but not limited to maintenance, repair, and fueling] that it may choose to perform.
 - g. In the event the sponsor itself exercises any of the rights and privileges referred to in this assurance, the services involved will be provided on the same conditions as would apply to the furnishing of such services by commercial aeronautical service providers authorized by the sponsor under these provisions.
 - h. The sponsor may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.
 - i. The sponsor may prohibit or limit any given type, kind or class of aeronautical use of the airport if such action is necessary for the safe operation of the airport or necessary to serve the civil aviation needs of the public.

23. Exclusive Rights.

It will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public. For purposes of this paragraph, the providing of the services at an airport by a single fixed-based operator shall not be construed as an exclusive right if both of the following apply:

- a. It would be unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide such services, and
- b. If allowing more than one fixed-based operator to provide such services would require the reduction of space leased pursuant to an existing agreement between such single fixed-based operator and such airport. It further agrees that it will not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right at the airport to conduct any aeronautical activities, including, but not limited to charter flights, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can be regarded as an aeronautical activity, and that it will terminate any exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under Title 49, United States Code.

24. Fee and Rental Structure.

It will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection. No part of the Federal share of an airport development, airport planning or noise compatibility project for which a grant is made under Title 49, United States Code, the Airport and Airway Improvement Act of 1982, the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate basis in establishing fees, rates, and charges for users of that airport.

25. Airport Revenues.

- a. All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport. The following exceptions apply to this paragraph:
 - 1) If covenants or assurances in debt obligations issued before September 3, 1982, by the owner or operator of the airport, or provisions enacted before September 3, 1982, in governing statutes controlling the owner or operator's financing, provide for the use of the revenues from any of the airport owner or

operator's facilities, including the airport, to support not only the airport but also the airport owner or operator's general debt obligations or other facilities, then this limitation on the use of all revenues generated by the airport (and, in the case of a public airport, local taxes on aviation fuel) shall not apply.

- 2) If the Secretary approves the sale of a privately owned airport to a public sponsor and provides funding for any portion of the public sponsor's acquisition of land, this limitation on the use of all revenues generated by the sale shall not apply to certain proceeds from the sale. This is conditioned on repayment to the Secretary by the private owner of an amount equal to the remaining unamortized portion (amortized over a 20-year period) of any airport improvement grant made to the private owner for any purpose other than land acquisition on or after October 1, 1996, plus an amount equal to the federal share of the current fair market value of any land acquired with an airport improvement grant made to that airport on or after October 1, 1996.
 - 3) Certain revenue derived from or generated by mineral extraction, production, lease, or other means at a general aviation airport (as defined at Section 47102 of title 49 United States Code), if the FAA determines the airport sponsor meets the requirements set forth in Sec. 813 of Public Law 112-95.
- b. As part of the annual audit required under the Single Audit Act of 1984, the sponsor will direct that the audit will review, and the resulting audit report will provide an opinion concerning, the use of airport revenue and taxes in paragraph (a), and indicating whether funds paid or transferred to the owner or operator are paid or transferred in a manner consistent with Title 49, United States Code and any other applicable provision of law, including any regulation promulgated by the Secretary or Administrator.
 - c. Any civil penalties or other sanctions will be imposed for violation of this assurance in accordance with the provisions of Section 47107 of Title 49, United States Code.

26. Reports and Inspections.

It will:

- a. submit to the Secretary such annual or special financial and operations reports as the Secretary may reasonably request and make such reports available to the public; make available to the public at reasonable times and places a report of the airport budget in a format prescribed by the Secretary;
- b. for airport development projects, make the airport and all airport records and documents affecting the airport, including deeds, leases, operation and use agreements, regulations and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request;
- c. for noise compatibility program projects, make records and documents relating to the project and continued compliance with the terms, conditions, and assurances of this grant agreement including deeds, leases, agreements, regulations, and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request; and

- d. in a format and time prescribed by the Secretary, provide to the Secretary and make available to the public following each of its fiscal years, an annual report listing in detail:
 - 1) all amounts paid by the airport to any other unit of government and the purposes for which each such payment was made; and
 - 2) all services and property provided by the airport to other units of government and the amount of compensation received for provision of each such service and property.

27. Use by Government Aircraft.

It will make available all of the facilities of the airport developed with Federal financial assistance and all those usable for landing and takeoff of aircraft to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, charge may be made for a reasonable share, proportional to such use, for the cost of operating and maintaining the facilities used. Unless otherwise determined by the Secretary, or otherwise agreed to by the sponsor and the using agency, substantial use of an airport by Government aircraft will be considered to exist when operations of such aircraft are in excess of those which, in the opinion of the Secretary, would unduly interfere with use of the landing areas by other authorized aircraft, or during any calendar month that –

- a. Five (5) or more Government aircraft are regularly based at the airport or on land adjacent thereto; or
- b. The total number of movements (counting each landing as a movement) of Government aircraft is 300 or more, or the gross accumulative weight of Government aircraft using the airport (the total movement of Government aircraft multiplied by gross weights of such aircraft) is in excess of five million pounds.

28. Land for Federal Facilities.

It will furnish without cost to the Federal Government for use in connection with any air traffic control or air navigation activities, or weather-reporting and communication activities related to air traffic control, any areas of land or water, or estate therein, or rights in buildings of the sponsor as the Secretary considers necessary or desirable for construction, operation, and maintenance at Federal expense of space or facilities for such purposes. Such areas or any portion thereof will be made available as provided herein within four months after receipt of a written request from the Secretary.

29. Airport Layout Plan.

- a. It will keep up to date at all times an airport layout plan of the airport showing
 - 1) boundaries of the airport and all proposed additions thereto, together with the boundaries of all offsite areas owned or controlled by the sponsor for airport purposes and proposed additions thereto;
 - 2) the location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars and

roads), including all proposed extensions and reductions of existing airport facilities;

- 3) the location of all existing and proposed nonaviation areas and of all existing improvements thereon; and
 - 4) all proposed and existing access points used to taxi aircraft across the airport's property boundary. Such airport layout plans and each amendment, revision, or modification thereof, shall be subject to the approval of the Secretary which approval shall be evidenced by the signature of a duly authorized representative of the Secretary on the face of the airport layout plan. The sponsor will not make or permit any changes or alterations in the airport or any of its facilities which are not in conformity with the airport layout plan as approved by the Secretary and which might, in the opinion of the Secretary, adversely affect the safety, utility or efficiency of the airport.
- b. If a change or alteration in the airport or the facilities is made which the Secretary determines adversely affects the safety, utility, or efficiency of any federally owned, leased, or funded property on or off the airport and which is not in conformity with the airport layout plan as approved by the Secretary, the owner or operator will, if requested, by the Secretary (1) eliminate such adverse effect in a manner approved by the Secretary; or (2) bear all costs of relocating such property (or replacement thereof) to a site acceptable to the Secretary and all costs of restoring such property (or replacement thereof) to the level of safety, utility, efficiency, and cost of operation existing before the unapproved change in the airport or its facilities except in the case of a relocation or replacement of an existing airport facility due to a change in the Secretary's design standards beyond the control of the airport sponsor.

30. Civil Rights.

It will promptly take any measures necessary to ensure that no person in the United States shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any activity conducted with, or benefiting from, funds received from this grant.

- a. Using the definitions of activity, facility and program as found and defined in §§ 21.23 (b) and 21.23 (e) of 49 CFR § 21, the sponsor will facilitate all programs, operate all facilities, or conduct all programs in compliance with all non-discrimination requirements imposed by, or pursuant to these assurances.
- b. Applicability
 - 1) Programs and Activities. If the sponsor has received a grant (or other federal assistance) for any of the sponsor's program or activities, these requirements extend to all of the sponsor's programs and activities.
 - 2) Facilities. Where it receives a grant or other federal financial assistance to construct, expand, renovate, remodel, alter or acquire a facility, or part of a facility, the assurance extends to the entire facility and facilities operated in connection therewith.

- 3) Real Property. Where the sponsor receives a grant or other Federal financial assistance in the form of, or for the acquisition of real property or an interest in real property, the assurance will extend to rights to space on, over, or under such property.

c. Duration.

The sponsor agrees that it is obligated to this assurance for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the assurance obligates the sponsor, or any transferee for the longer of the following periods:

- 1) So long as the airport is used as an airport, or for another purpose involving the provision of similar services or benefits; or
- 2) So long as the sponsor retains ownership or possession of the property.

d. Required Solicitation Language. It will include the following notification in all solicitations for bids, Requests For Proposals for work, or material under this grant agreement and in all proposals for agreements, including airport concessions, regardless of funding source:

“The **(Name of Sponsor)**, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises and airport concession disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.”

e. Required Contract Provisions.

- 1) It will insert the non-discrimination contract clauses requiring compliance with the acts and regulations relative to non-discrimination in Federally-assisted programs of the DOT, and incorporating the acts and regulations into the contracts by reference in every contract or agreement subject to the non-discrimination in Federally-assisted programs of the DOT acts and regulations.
- 2) It will include a list of the pertinent non-discrimination authorities in every contract that is subject to the non-discrimination acts and regulations.
- 3) It will insert non-discrimination contract clauses as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a sponsor.
- 4) It will insert non-discrimination contract clauses prohibiting discrimination on the basis of race, color, national origin, creed, sex, age, or handicap as a

covenant running with the land, in any future deeds, leases, license, permits, or similar instruments entered into by the sponsor with other parties:

- a) For the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
 - b) For the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.
- f. It will provide for such methods of administration for the program as are found by the Secretary to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the acts, the regulations, and this assurance.
- g. It agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the acts, the regulations, and this assurance.

31. Disposal of Land.

- a. For land purchased under a grant for airport noise compatibility purposes, including land serving as a noise buffer, it will dispose of the land, when the land is no longer needed for such purposes, at fair market value, at the earliest practicable time. That portion of the proceeds of such disposition which is proportionate to the United States' share of acquisition of such land will be, at the discretion of the Secretary, (1) reinvested in another project at the airport, or (2) transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order, (1) reinvestment in an approved noise compatibility project, (2) reinvestment in an approved project that is eligible for grant funding under Section 47117(e) of title 49 United States Code, (3) reinvestment in an approved airport development project that is eligible for grant funding under Sections 47114, 47115, or 47117 of title 49 United States Code, (4) transferred to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport, and (5) paid to the Secretary for deposit in the Airport and Airway Trust Fund. If land acquired under a grant for noise compatibility purposes is leased at fair market value and consistent with noise buffering purposes, the lease will not be considered a disposal of the land. Revenues derived from such a lease may be used for an approved airport development project that would otherwise be eligible for grant funding or any permitted use of airport revenue.
- b. For land purchased under a grant for airport development purposes (other than noise compatibility), it will, when the land is no longer needed for airport purposes, dispose of such land at fair market value or make available to the Secretary an amount equal to the United States' proportionate share of the fair market value of the land. That portion of the proceeds of such disposition which is proportionate to the United States' share of the cost of acquisition of such land will, (1) upon application to the Secretary, be reinvested or transferred to another

eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order: (1) reinvestment in an approved noise compatibility project, (2) reinvestment in an approved project that is eligible for grant funding under Section 47117(e) of title 49 United States Code, (3) reinvestment in an approved airport development project that is eligible for grant funding under Sections 47114, 47115, or 47117 of title 49 United States Code, (4) transferred to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport, and (5) paid to the Secretary for deposit in the Airport and Airway Trust Fund.

- c. Land shall be considered to be needed for airport purposes under this assurance if (1) it may be needed for aeronautical purposes (including runway protection zones) or serve as noise buffer land, and (2) the revenue from interim uses of such land contributes to the financial self-sufficiency of the airport. Further, land purchased with a grant received by an airport operator or owner before December 31, 1987, will be considered to be needed for airport purposes if the Secretary or Federal agency making such grant before December 31, 1987, was notified by the operator or owner of the uses of such land, did not object to such use, and the land continues to be used for that purpose, such use having commenced no later than December 15, 1989.
- d. Disposition of such land under (a) (b) or (c) will be subject to the retention or reservation of any interest or right therein necessary to ensure that such land will only be used for purposes which are compatible with noise levels associated with operation of the airport.

32. Engineering and Design Services.

It will award each contract, or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping or related services with respect to the project in the same manner as a contract for architectural and engineering services is negotiated under Title IX of the Federal Property and Administrative Services Act of 1949 or an equivalent qualifications-based requirement prescribed for or by the sponsor of the airport.

33. Foreign Market Restrictions.

It will not allow funds provided under this grant to be used to fund any project which uses any product or service of a foreign country during the period in which such foreign country is listed by the United States Trade Representative as denying fair and equitable market opportunities for products and suppliers of the United States in procurement and construction.

34. Policies, Standards, and Specifications.

It will carry out the project in accordance with policies, standards, and specifications approved by the Secretary including but not limited to the advisory circulars listed in the Current FAA Advisory Circulars for AIP projects, dated _____ (the latest approved version as of this grant offer) and included in this grant, and in accordance

with applicable state policies, standards, and specifications approved by the Secretary.

35. Relocation and Real Property Acquisition.

- a. It will be guided in acquiring real property, to the greatest extent practicable under State law, by the land acquisition policies in Subpart B of 49 CFR Part 24 and will pay or reimburse property owners for necessary expenses as specified in Subpart B.
- b. It will provide a relocation assistance program offering the services described in Subpart C and fair and reasonable relocation payments and assistance to displaced persons as required in Subpart D and E of 49 CFR Part 24.
- c. It will make available within a reasonable period of time prior to displacement, comparable replacement dwellings to displaced persons in accordance with Subpart E of 49 CFR Part 24.

36. Access By Intercity Buses.

The airport owner or operator will permit, to the maximum extent practicable, intercity buses or other modes of transportation to have access to the airport; however, it has no obligation to fund special facilities for intercity buses or for other modes of transportation.

37. Disadvantaged Business Enterprises.

The sponsor shall not discriminate on the basis of race, color, national origin or sex in the award and performance of any DOT-assisted contract covered by 49 CFR Part 26, or in the award and performance of any concession activity contract covered by 49 CFR Part 23. In addition, the sponsor shall not discriminate on the basis of race, color, national origin or sex in the administration of its DBE and ACDBE programs or the requirements of 49 CFR Parts 23 and 26. The sponsor shall take all necessary and reasonable steps under 49 CFR Parts 23 and 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts, and/or concession contracts. The sponsor's DBE and ACDBE programs, as required by 49 CFR Parts 26 and 23, and as approved by DOT, are incorporated by reference in this agreement. Implementation of these programs is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the sponsor of its failure to carry out its approved program, the Department may impose sanctions as provided for under Parts 26 and 23 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1936 (31 U.S.C. 3801).

38. Hangar Construction.

If the airport owner or operator and a person who owns an aircraft agree that a hangar is to be constructed at the airport for the aircraft at the aircraft owner's expense, the airport owner or operator will grant to the aircraft owner for the hangar a long term lease that is subject to such terms and conditions on the hangar as the airport owner or operator may impose.

39. Competitive Access.

- a. If the airport owner or operator of a medium or large hub airport (as defined in section 47102 of title 49, U.S.C.) has been unable to accommodate one or more requests by an air carrier for access to gates or other facilities at that airport in order to allow the air carrier to provide service to the airport or to expand service at the airport, the airport owner or operator shall transmit a report to the Secretary that-
 - 1) Describes the requests;
 - 2) Provides an explanation as to why the requests could not be accommodated; and
 - 3) Provides a time frame within which, if any, the airport will be able to accommodate the requests.
- b. Such report shall be due on either February 1 or August 1 of each year if the airport has been unable to accommodate the request(s) in the six month period prior to the applicable due date.



U.S. Department
of Transportation
**Federal Aviation
Administration**

Airports Division
Alaskan Region

FAA AAL-600
222 W 7th Ave., #14
Anchorage, AK 99513

JUN 29 2016
Mr. Nathan E. Wallace
City Manager, City of Palmer
231 W. Evergreen Avenue
Palmer, AK 99645

Dear Mr. Wallace:

We are enclosing the original and two copies of the Grant Offer for Airport Improvement Program (AIP) Project No. 3-02-0211-020-2016 at Palmer Municipal Airport in Palmer, Alaska. This letter outlines expectations for success. Please read the conditions and assurances carefully.

To properly enter into this agreement, you must do the following:

- a. The governing body must provide authority to execute the grant to the individual signing the grant; i.e. the sponsor's authorized representative.
- b. The sponsor's authorized representative must execute the grant, followed by the attorney's certification, no later than **July 22, 2016**, in order for the grant to be valid. The date of the attorney's signature must be on or after the date of the sponsor's authorized representative's signature.
- c. You may not make any modification to the text, terms or conditions of the grant offer.
- d. After you properly execute the grant agreement:
 - Return the executed Grant Agreement marked "Original" to our office via US mail or commercial courier.
 - Retain the copy marked "Sponsor" for your records.
 - Forward the copy marked "State" to your associated State Aviation Official
- e. Because time is now critical for entering the executed grant into the FAA system, we request you send a copy of the signed agreement to our office by facsimile or email (pdf document) prior to sending the hardcopy document through U.S. mail or commercial courier.

Subject to the requirements in 2 CFR §200.305, each payment request for reimbursement under this grant must be made electronically via the Delphi eInvoicing System. Please see the attached Grant Agreement for more information regarding the use of this System.

Please note Grant Condition No. 4 requires you to complete the project without undue delay. We will be paying close attention to your progress to ensure proper stewardship of these Federal funds. **You are expected to submit payment requests for reimbursement of allowable incurred project expenses in accordance with project progress.** Should you fail to make draws on a regular basis, your grant may be placed in "inactive" status which will impact future grant offers.

Until the grant is completed and closed, you are responsible for submitting formal reports as follows:

- A signed/dated SF-270 (non-construction projects) or SF-271 or equivalent (construction projects) and SF-425 annually, due 90 days after the end of each federal fiscal year in which this grant is open (due December 31 of each year this grant is open); and
- Performance Reports are due within 30 days of the end of a reporting period as follows:
 1. Non-construction project: Due annually at end of the Federal fiscal year.
 2. Construction project: Submit FAA form 5370-1, Construction Progress and Inspection Report at the end of each fiscal quarter.

As a condition of receiving Federal assistance under this award, you must comply with audit requirements as established under 2 CFR part 200. Subpart F requires non-Federal entities that expend \$750,000 or more in Federal awards to conduct a single or program specific audit for that year. Note that this includes Federal expenditures made under other Federal-assistance programs. Please take appropriate and necessary action to assure your organization will comply with applicable audit requirements and standards.

Once the project(s) is completed and all costs are determined, we ask that you close the project without delay and submit the final closeout report documentation as required by your Region/Airports District Office.

Mike Edelman, 907-271-5026, is the assigned program manager for this grant and is readily available to assist you and your designated representative with the requirements stated herein. We sincerely value your cooperation in these efforts and look forward to working with you to complete this important project.

Sincerely,



Kristi A. Warden
Deputy Manager
Airports Division



U.S. Department
of Transportation
Federal Aviation
Administration

GRANT AGREEMENT

PART I – OFFER

Date of Offer	<u>JUN 29 2016</u>
Airport/Planning Area	<u>Palmer Municipal Airport</u>
AIP Grant Number	<u>3-02-0211-020-2016</u>
DUNS Number	<u>037411071</u>
TO:	<u>City of Palmer</u>
	(herein called the "Sponsor")

FROM: **The United States of America** (acting through the Federal Aviation Administration, herein called the "FAA")

WHEREAS, the Sponsor has submitted to the FAA a Project Application dated June 24, 2016, for a grant of Federal funds for a project at or associated with the Palmer Municipal Airport, which is included as part of this Grant Agreement; and

WHEREAS, the FAA has approved a project for the Palmer Municipal Airport (herein called the "Project") consisting of the following:

Conduct Airport Master Plan Study, Phase 3

which is more fully described in the Project Application.

NOW THEREFORE, According to the applicable provisions of the former Federal Aviation Act of 1958, as amended and recodified, 49 U.S.C. 40101, et seq., and the former Airport and Airway Improvement Act of 1982 (AAIA), as amended and recodified, 49 U.S.C. 47101, et seq., (herein the AAIA grant statute is referred to as "the Act"), the representations contained in the Project Application, and in consideration of (a) the Sponsor's adoption and ratification of the Grant Assurances dated March 2014, and the Sponsor's acceptance of this Offer, and (b) the benefits to accrue to the United States and the public from the accomplishment of the Project and compliance with the Grant Assurances and conditions as herein provided,

THE FEDERAL AVIATION ADMINISTRATION, FOR AND ON BEHALF OF THE UNITED STATES, HEREBY OFFERS AND AGREES to pay 93.75 percent of the allowable costs incurred accomplishing the Project as the United States share of the Project.

This Offer is made on and **SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:**

CONDITIONS

1. **Maximum Obligation.** The maximum obligation of the United States payable under this Offer is **\$60,700.00**

The following amounts represent a breakdown of the maximum obligation for the purpose of establishing allowable amounts for any future grant amendment, which may increase the foregoing maximum obligation of the United States under the provisions of 49 U.S.C. § 47108(b):

- \$60,700 for planning
- \$0 for airport development or noise program implementation
- \$0 for land acquisition

2. **Period of Performance.** The period of performance begins on the date the Sponsor formally accepts this agreement. Unless explicitly stated otherwise in an amendment from the FAA, the end date of the project period of performance is 4 years (1,460 calendar days) from the date of formal grant acceptance by the Sponsor.

The Sponsor may only charge allowable costs for obligations incurred prior to the end date of the period of performance (2 CFR § 200.309). Unless the FAA authorizes a written extension, the sponsor must submit all project closeout documentation and liquidate (pay off) all obligations incurred under this award no later than 90 calendar days after the end date of the period of performance (2 CFR § 200.343).

The period of performance end date does not relieve or reduce Sponsor obligations and assurances that extend beyond the closeout of a grant agreement.

3. **Ineligible or Unallowable Costs.** The Sponsor must not include any costs in the project that the FAA has determined to be ineligible or unallowable.
4. **Indirect Costs – Sponsor.** Sponsor may charge indirect costs under this award by applying the indirect cost rate identified in the project application and as accepted by the FAA to allowable costs for Sponsor direct salaries and wages.
5. **Determining the Final Federal Share of Costs.** The United States' share of allowable project costs will be made in accordance with the regulations, policies and procedures of the Secretary. Final determination of the United States' share will be based upon the final audit of the total amount of allowable project costs and settlement will be made for any upward or downward adjustments to the Federal share of costs.
6. **Completing the Project Without Delay and in Conformance with Requirements.** The Sponsor must carry out and complete the project without undue delays and in accordance with this agreement, and the regulations, policies and procedures of the Secretary. The Sponsor also agrees to comply with the assurances which are part of this agreement.
7. **Amendments or Withdrawals before Grant Acceptance.** The FAA reserves the right to amend or withdraw this offer at any time prior to its acceptance by the Sponsor.
8. **Offer Expiration Date.** This offer will expire and the United States will not be obligated to pay any part of the costs of the project unless this offer has been accepted by the Sponsor on or before **July 22, 2016**, or such subsequent date as may be prescribed in writing by the FAA.
9. **Improper Use of Federal Funds.** The Sponsor must take all steps, including litigation if necessary, to recover Federal funds spent fraudulently, wastefully, or in violation of Federal antitrust statutes, or misused in any other manner in any project upon which Federal funds have been expended. For the purposes of this grant agreement, the term "Federal funds" means funds however used or dispersed by the Sponsor that were originally paid pursuant to this or any other Federal grant agreement. The Sponsor must obtain the approval of the Secretary as to any determination of the amount of the Federal share of such funds. The Sponsor must return the recovered Federal share, including funds recovered by

settlement, order, or judgment, to the Secretary. The Sponsor must furnish to the Secretary, upon request, all documents and records pertaining to the determination of the amount of the Federal share or to any settlement, litigation, negotiation, or other efforts taken to recover such funds. All settlements or other final positions of the Sponsor, in court or otherwise, involving the recovery of such Federal share require advance approval by the Secretary.

- 10. United States Not Liable for Damage or Injury.** The United States is not responsible or liable for damage to property or injury to persons which may arise from, or be incident to, compliance with this grant agreement.
- 11. System for Award Management (SAM) Registration And Universal Identifier.**
- A. Requirement for System for Award Management (SAM): Unless the Sponsor is exempted from this requirement under 2 CFR 25.110, the Sponsor must maintain the currency of its information in the SAM until the Sponsor submits the final financial report required under this grant, or receives the final payment, whichever is later. This requires that the Sponsor review and update the information at least annually after the initial registration and more frequently if required by changes in information or another award term. Additional information about registration procedures may be found at the SAM website (currently at <http://www.sam.gov>).
- B. Requirement for Data Universal Numbering System (DUNS) Numbers
1. The Sponsor must notify potential subrecipient that it cannot receive a contract unless it has provided its DUNS number to the Sponsor. A subrecipient means a consultant, contractor, or other entity that enters into an agreement with the Sponsor to provide services or other work to further this project, and is accountable to the Sponsor for the use of the Federal funds provided by the agreement, which may be provided through any legal agreement, including a contract.
 2. The Sponsor may not make an award to a subrecipient unless the subrecipient has provided its DUNS number to the Sponsor.
 3. Data Universal Numbering System: DUNS number means the nine-digit number established and assigned by Dun and Bradstreet, Inc. (D & B) to uniquely identify business entities. A DUNS number may be obtained from D & B by telephone (currently 866-606-8220) or on the web (currently at <http://fedgov.dnb.com/webform>).
- 12. Electronic Grant Payment(s).** Unless otherwise directed by the FAA, the Sponsor must make each payment request under this agreement electronically via the Delphi eInvoicing System for Department of Transportation (DOT) Financial Assistance Awardees.
- 13. Informal Letter Amendment of AIP Projects.** If, during the life of the project, the FAA determines that the maximum grant obligation of the United States exceeds the expected needs of the Sponsor by \$25,000 or five percent (5%), whichever is greater, the FAA can issue a letter amendment to the Sponsor unilaterally reducing the maximum obligation.
- The FAA can also issue a letter to the Sponsor increasing the maximum obligation if there is an overrun in the total actual eligible and allowable project costs to cover the amount of the overrun provided it will not exceed the statutory limitations for grant amendments. The FAA's authority to increase the maximum obligation does not apply to the "planning" component of condition No. 1.
- The FAA can also issue an informal letter amendment that modifies the grant description to correct administrative errors or to delete work items if the FAA finds it advantageous and in the best interests of the United States.
- An informal letter amendment has the same force and effect as a formal grant amendment.
- 14. Air and Water Quality.** The Sponsor is required to comply with all applicable air and water quality

standards for all projects in this grant. If the Sponsor fails to comply with this requirement, the FAA may suspend, cancel, or terminate this grant.

- 15. Financial Reporting and Payment Requirements.** The Sponsor will comply with all federal financial reporting requirements and payment requirements, including submittal of timely and accurate reports.
- 16. Buy American.** Unless otherwise approved in advance by the FAA, the Sponsor will not acquire or permit any contractor or subcontractor to acquire any steel or manufactured products produced outside the United States to be used for any project for which funds are provided under this grant. The Sponsor will include a provision implementing Buy American in every contract.
- 17. Maximum Obligation Increase For Nonprimary Airports.** In accordance with 49 U.S.C. § 47108(b), as amended, the maximum obligation of the United States, as stated in Condition No. 1 of this Grant Offer:
- A. May not be increased for a planning project;
 - B. May be increased by not more than 15 percent for development projects;
 - C. May be increased by not more than 15 percent or by an amount not to exceed 25 percent of the total increase in allowable costs attributable to the acquisition of land or interests in land, whichever is greater, based on current credible appraisals or a court award in a condemnation proceeding.
- 18. Audits for Public Sponsors.** The Sponsor must provide for a Single Audit in accordance with 2 CFR Part 200. The Sponsor must submit the Single Audit reporting package to the Federal Audit Clearinghouse on the Federal Audit Clearinghouse's Internet Data Entry System at <http://harvester.census.gov/facweb/>. The Sponsor must also provide one copy of the completed 2 CFR Part 200 audit to the Airports District Office.
- 19. Suspension or Debarment.** When entering into a "covered transaction" as defined by 2 CFR § 180.200, the Sponsor must:
- A. Verify the non-federal entity is eligible to participate in this Federal program by:
 - 1. Checking the excluded parties list system (EPLS) as maintained within the System for Award Management (SAM) to determine if non-federal entity is excluded or disqualified; or
 - 2. Collecting a certification statement from the non-federal entity attesting they are not excluded or disqualified from participating; or
 - 3. Adding a clause or condition to covered transactions attesting individual or firm are not excluded or disqualified from participating.
 - B. Require prime contractors to comply with 2 CFR § 180.330 when entering into lower-tier transactions (e.g. Sub-contracts).
 - C. Immediately disclose to the FAA whenever the Sponsor: (1) learns they have entered into a covered transaction with an ineligible entity or (2) suspends or debar a contractor, person, or entity.
- 20. Ban on Texting While Driving.**
- A. In accordance with Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving, October 1, 2009, and DOT Order 3902.10, Text Messaging While Driving, December 30, 2009, the Sponsor is encouraged to:
 - 1. Adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers including policies to ban text messaging while driving when performing any work for, or on behalf of, the Federal government, including work relating to a grant or subgrant.

2. Conduct workplace safety initiatives in a manner commensurate with the size of the business, such as:
 - a. Establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving; and
 - b. Education, awareness, and other outreach to employees about the safety risks associated with texting while driving.
- B. The Sponsor must insert the substance of this clause on banning texting while driving in all subgrants, contracts and subcontracts.

21. Trafficking in Persons.

- A. Prohibitions: The prohibitions against trafficking in persons (Prohibitions) apply to any entity other than a State, local government, Indian tribe, or foreign public entity. This includes private Sponsors, public Sponsor employees, subrecipients of private or public Sponsors (private entity). Prohibitions include:
 1. Engaging in severe forms of trafficking in persons during the period of time that the agreement is in effect;
 2. Procuring a commercial sex act during the period of time that the agreement is in effect; or
 3. Using forced labor in the performance of the agreement, including subcontracts or subagreements under the agreement.
- B. In addition to all other remedies for noncompliance that are available to the FAA, Section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), allows the FAA to unilaterally terminate this agreement, without penalty, if a private entity –
 1. Is determined to have violated the Prohibitions; or
 2. Has an employee who the FAA determines has violated the Prohibitions through conduct that is either:
 - a. Associated with performance under this agreement; or
 - b. Imputed to the Sponsor or subrecipient using 2 CFR part 180, “OMB Guidelines to Agencies on Government wide Debarment and Suspension (Nonprocurement),” as implemented by the FAA at 2 CFR part 1200.

22. AIP Funded Work Included in a PFC Application:

Within 90 days of acceptance of this award, Sponsor must submit to the Federal Aviation Administration an amendment to any approved Passenger Facility Charge (PFC) application that contains an approved PFC project also covered under this grant award. The airport sponsor may not make any expenditure under this award until project work addressed under this award is removed from an approved PFC application by amendment.

- 23. Exhibit “A” Property Map.** The Exhibit “A” Property Map dated 5/31/2011, is incorporated herein by reference or is submitted with the project application and made part of this grant agreement.

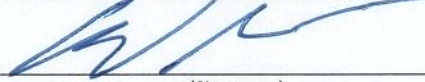
- 24. Airport Layout Plan.** The Sponsor understands and agrees to update the Airport Layout Plan to reflect the construction to standards satisfactory to the FAA and submit it in final form to the FAA. It is further mutually agreed that the reasonable cost of developing said Airport Layout Plan Map is an allowable cost within the scope of this project.

- 25. Coordination.** The Sponsor agrees to coordinate this master planning study with the metropolitan

planning organizations, other local planning agencies, and with the State Airport System Plan prepared by the State's Department of Transportation and consider any pertinent information, data, projections, and forecasts which are currently available or as will become available. The Sponsor agrees to consider any State Clearinghouse comments and to furnish a copy of the final report to the State's Department of Transportation.

The Sponsor's acceptance of this Offer and ratification and adoption of the Project Application incorporated herein shall be evidenced by execution of this instrument by the Sponsor, as hereinafter provided, and this Offer and Acceptance shall comprise a Grant Agreement, as provided by the Act, constituting the contractual obligations and rights of the United States and the Sponsor with respect to the accomplishment of the Project and compliance with the assurances and conditions as provided herein. Such Grant Agreement shall become effective upon the Sponsor's acceptance of this Offer.

**UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION**



(Signature)

Kristi A. Warden

(Typed Name)

Deputy Manager

(Title of FAA Official)

PART II - ACCEPTANCE

The Sponsor does hereby ratify and adopt all assurances, statements, representations, warranties, covenants, and agreements contained in the Project Application and incorporated materials referred to in the foregoing Offer, and does hereby accept this Offer and by such acceptance agrees to comply with all of the terms and conditions in this Offer and in the Project Application.

I declare under penalty of perjury that the foregoing is true and correct.¹

Executed this _____ day of _____.

City of Palmer

(Name of Sponsor)

(Signature of Sponsor's Authorized Official)

By:

Nathan Wallace

(Typed Name of Sponsor's Authorized Official)

Title:

City Manager

(Title of Sponsor's Authorized Official)

CERTIFICATE OF SPONSOR'S ATTORNEY

I, _____, acting as Attorney for the Sponsor do hereby certify:

That in my opinion the Sponsor is empowered to enter into the foregoing Grant Agreement under the laws of the State of _____. Further, I have examined the foregoing Grant Agreement and the actions taken by said Sponsor and Sponsor's official representative has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the said State and the Act. In addition, for grants involving projects to be carried out on property not owned by the Sponsor, there are no legal impediments that will prevent full performance by the Sponsor. Further, it is my opinion that the said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated at _____ (location) this _____ day of _____.

By:

(Signature of Sponsor's Attorney)

¹ Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C. Section 1001 (False Statements) and could subject you to fines, imprisonment, or both.